

Pakistan Revises Toll Estimate in Quake to 4,700

PATAN, Pakistan, Dec. 30 (AP).—The earthquake that hit northern Pakistan during the weekend killed an estimated 4,700 persons and injured about 15,000 in nine villages, rescue officials said today. They said the final casualty toll could be even higher when reports arrive from isolated regions north of here.

The villages were clustered about this community in the Karakoram Mountains, about 500 miles north of the Pakistani capital of Islamabad. The earthquake struck Saturday evening and tremors followed intermittently for 24 hours. First word of the disaster was brought out by runners.

The earthquake almost destroyed this village of 10,000, leaving hardly a home intact. Senior army officers taking part in rescue operations estimated that 500 inhabitants of Patan were dead and 2,000 injured.

Army rescue teams have been working around the clock, treating the injured, pulling bodies from the wreckage and mounding a helicopter lift. Two field hospitals have been set up.

Because of the widespread damage to homes, many persons

have been sleeping in the open in temperatures that drop to near freezing at night.

Efforts to bring in more blankets and tents have been hampered because the Karakoram highway has been damaged along a 70-mile stretch.

A doctor, Ajal Hassan, who was in Patan when the earthquake occurred, said:

"It was so strong it felt as if the mountains were going to shatter."

He said that his field hospital had treated about 500 persons and that the number was increasing as more and more persons from outlying regions came to the village with injured.

To obtain a clearer picture of the casualties and damage, the army has sent messengers on foot to isolated valleys to gather information. Persons living in the valleys have been told to take their injured to specific landing sites so they can be airlifted for treatment.

Prime Minister Zulfikar Ali Bhutto will come to Patan tomorrow on a tour of inspection. He has announced a relief fund of 1 million rupees (\$100,000).



Rescue worker carrying child through rubble of one of the villages hit by quake.

Seen as Setback for Kremlin

Brezhnev Calls Off Visit to Middle East

By Christopher S. Wren

MOSCOW, Dec. 30 (NYT).—Leonid Brezhnev has indefinitely postponed his visit to Egypt, Syria and Iraq next month. It was officially announced today.

No immediate explanation was available here for the indefinite postponement, which amounts to cancellation in diplomatic terms, although several theories

have taken shape. It appeared that the Kremlin had agreed a setback in its new efforts to advance the Soviet position in the Middle East and some Western diplomats here suggested that he had been disappointed by the night signal from Moscow in the Moscow relations with Cairo.

However, this was challenged by a joint Soviet-Egyptian statement released here late tonight, saying the visit to Moscow by the Egyptian foreign minister and war minister.

The statement stressed the firm friendship between the two countries and reassured their joint pledge made here July 2-12 months ago to work for a resumption of the Geneva conference on the Middle East at an early date, with Palestinian participation.

In issuing the initial announcement, the official press agency said it did not explain why the Soviet Communist party leader's visit, which had been given great attention here, was put off little more than two weeks before it was to have begun.

There was some initial speculation here that ill health of Mr. Brezhnev might have caused the postponement. But this seemed rather unlikely, since the Soviet party chief met with Egyptian ministers yesterday and since Moscow would not have postponed the visit purely on medical grounds so far in advance.

Several Western diplomats also noted that it was not remarkable that Mr. Brezhnev's trips to Syria and Iraq were put off as well, since those visits were considered stopovers added to enhance the Soviet leader's itinerary. If Mr. Brezhnev visited Syria and Iraq while passing up Egypt, he might create new divisions in the region at a time when Moscow has been promoting Arab unity.

The postponement was announced less than two days after Egypt's Foreign Minister Ismail Fahmy and newly appointed War Minister Mohammed Abdel-Ghany Ghamay suddenly appeared here for talks, catching even some Egyptian diplomats by surprise.

Their arrival was thought by Western diplomats to be connected to an undisclosed message that Mr. Brezhnev sent President Anwar Sadat of Egypt on Thursday.

Yesterday, Mr. Fahmy and Gen. Ghamay were received by Mr. Brezhnev for brief private talks, at which the postponement of the summit trip now appears to have been discussed.

By this evening, a number of Western and other diplomats concluded that they still had no firm reading on why the trip was shelved. Egyptian diplomats could not be reached for comment.

In Cairo, Egyptian officials

declined all comment on the postponement, United Press International reported.

According to one theory advanced in Western diplomatic quarters here, Moscow put off Mr. Brezhnev's trip because it was piqued that Cairo had not given sufficient backing to a resumption of the Middle East peace talks at Geneva, which was thought to have been a Soviet condition laid down when Mr.

Brezhnev's visit was announced in October.

The Soviet Union has pushed Egypt to channel its negotiating efforts through the Geneva forum, where Moscow would best be able to have a voice in a settlement.

The Kremlin is understood to be upset that Mr. Sadat has recently wavered between the Soviet call for a new stage of

the Geneva conference and the step-by-step generally bilateral negotiations toward a settlement advocated by the United States through Secretary of State Henry Kissinger.

Last July, Moscow put off scheduled visit here by Mr. Fahmy because of apparent unhappiness with President Sadat's efforts at improving relations with the United States.

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Nicaragua Terrorists Free Hostages, Go to Cuba

MANAGUA, Dec. 30 (AP).—Terrorists released hostages today whom they had held for 60 hours and then were flown to Cuba with sympathizers freed from Nicaraguan jails.

The Cuban news agency, Prensa Latina, said that the group arrived in Havana at 3:15 p.m. The Roman Catholic archbishop of Managua was with them to guarantee their safety.

Nicaraguan government reports said that there were 12 or 13

terrorists aboard the plane and 14 sympathizers. A National Guard officer at Managua airport said that the Mexican and Spanish ambassadors to Nicaragua and the papal nuncio in Managua also accompanied the terrorists to Cuba.

The flight occurred only a couple of hours after the broadcast of the terrorists' demand that six points be met before noon or they would begin shooting a hostage every 12 hours. The

government had said that it would allow the hostages—at least 12 men—to be taken to Havana.

The Most Rev. Miguel Ovando y Bravo, the archbishop of Managua, was the first man to leave the house in which the hostages were held. He was followed by a man in plain clothes and a terrorist wearing a stocking mask and pointing a rifle.

The group, moving in single file, boarded a tourist bus for the 15-mile drive to Managua airport. They drove to the end of the runway, where the four-engine government-owned jet was waiting and, 10 minutes later, took off for Havana.

No details were available on whether the government met a \$5-million ransom demand. A source close to the negotiations said that the government agreed earlier to pay the ransom in small bills.

But later, the terrorists made additional demands for salary increases for many workers, year-end salary bonuses and an end to all repression in Nicaragua.

The terrorists invaded a party for the American ambassador Friday night, killing the host, former cabinet minister Jose Maria Castillo, and two policemen. They took 30 persons prisoner, including prominent politicians, diplomats and businessmen, their wives, some children, servants and musicians. One of the guerrillas was reported to have been wounded.

Paintings Worth \$1 Million Taken From Home of American in Paris

PARIS, Dec. 30 (NYT).—A collection of 47 paintings valued at \$1 million was reported missing today from the Paris apartment of Jacques Cartier, an American architect and landscape painter.

A Picasso, a Corot, a Gauguin, a Dufy, a Toulouse-Lautrec and several paintings by Dunoyer de Segonzac were among the missing works.

The robbery was discovered Friday night by Mrs. Madeleine Grou, 63, the caretaker of the apartment, police said. They said Mr. Cartier, his wife and son were at the time in Santa Fe, N.M., where they maintain another home.

Police said they are seeking a blond, 38-year-old Yugoslav named Luigi, whom they described as a friend of Mrs. Grou. They said the Cartier family only spent two or three months of the year in Paris and hired Mrs. Grou as a caretaker, giving her permission to receive guests so she would not get lonely.

Mrs. Grou said Luigi, whom she met three months ago, had told her Friday, "Go do your shopping, and when you come back we'll go out to dinner. But before that you'll find a nice surprise."

She returned to find the canvases neatly removed from their frames throughout the six-room apartment. Also missing were Luigi's suitcases and several sculptures. They said the thief might have had accomplices.

Also gone was Mrs. Grou's last salary of 1,500 francs (\$350), police said. In its place was a bouquet of flowers.

Gold Climbs To a Record, Then Retreats

PARIS, Dec. 30 (NYT).—

The 41-year-old U.S. ban on the private ownership of gold ends tomorrow and European bullion markets are in turmoil, trying to anticipate what effect this will have on the gold market price. The price hit a record \$197.50 an ounce this morning, but fell back later in the day. Details Page 7.

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U.S. Ambassador Turner Shelton and his party had left shortly before the attack.

The terrorists, members of the Sandinista National Liberation Front, made their demands to Archbishop Ovando y Bravo, who served as negotiator.

Those held hostage included Foreign Minister Alejandro Montiel Arguello; the Nicaraguan ambassador to the United States, Guillermo Sevilla Sacasa, who is dean of the Washington diplomatic corps; the Nicaraguan ambassador to the U.N., Guillermo Lang; and the mayor of Managua, Louis Valle Oliveras.

"They treated us very well. They were nice and kind," Mr. Montiel Arguello said.

The Times yesterday quoted a former undercover CIA agent as saying that much of the spying against radicals had been conducted by members of the highly secret Domestic Operations Division of the CIA.

Authoritative intelligence sources acknowledged in interviews yesterday that Mr. Angleton's Counterintelligence Division had played a separate role from that of the Domestic Operations Division. Both divisions, the sources said, were found during a review last year to have operated illegally inside the United States.

It could not be learned whether Mr. Colby has initiated any punitive steps against officials of the Domestic Operations Division.

Will Remain in Congress

Mills Blames Alcohol, Renounces It

WASHINGTON, Dec. 30 (NYT).—Rep. Wilbur Mills acknowledged today that alcohol was the cause of his recent erratic behavior and pledged himself to total abstinence.

"I know that I am a well man as long as I do not drink and by the grace of God and with competent medical advice and the support of friends, I will remain well," the Arkansas Democrat said.

"In light of the above, it is my intention to continue in the Congress of the United States. My years of experience have given me some ability to make a contribution toward the solution of the problems of the times in which we live."

He was re-elected to his 18th term this year in a close election in the Arkansas district where he has been accustomed to wide margins of victory.

Mr. Mills, once the most powerful member of the House as chairman of the Ways and Means Committee, said he intended to offer his best efforts and experience to Rep. Al Ullman, D-Ore., who will succeed him as chairman.

"Severe Drinking Problem"

Mr. Mills is in Bethesda Naval Hospital, which he entered after appearing on a Boston stage with Annabel Battistella, the striptease dancer in whose company he was found when the police stopped his limousine at Washington's Tidal Basin earlier this year. He was stripped of the committee chairmanship after the Boston incident.

Major Shake-Up 3 More High Officials Of CIA Said to Resign

By Seymour M. Hersh

WASHINGTON, Dec. 30 (NYT).—Three more high-ranking officials of the Central Intelligence Agency resigned last week in a major shake-up of the agency's Counterintelligence Division, well-informed government sources said yesterday.

Their resignations, effective at tomorrow's close of the year, followed within a week that of James Angleton, the long-time CIA counterintelligence chief who has been linked to wide scale domestic spying in disclosures reported by The New York Times.

The government sources said the newly retired officers, whose resignations were accepted without objection by CIA director William Colby, are Raymond "Rocca" Mr. Angleton's chief deputy, William Hood, executive officer of the Counterintelligence Division, and Newton Miller, chief of operations.

In a related development, Sen. William Proxmire, D-Wis., said yesterday that he had received independent verification of the allegations of CIA domestic spying that were initially published in The Times (NYT, Dec. 23). The Ford administration has made no official denial or confirmation of the account.

"Accurate and Correct"

"I can say, on the basis of the information I have, and I think it is very good information," Sen. Proxmire said on ABC-TV's "Issues and Answers" show, "that the stories and the allegations in The New York Times about the file of 10,000 names of people who had been under investigation by the CIA, about the breaking and entering and about wiretaps, that these are accurate and correct."

The Times' initial report quoted well-placed government sources as saying that the intelligence agency had violated its charter during the late 1960s by mounting a vast, illegal intelligence operation against the anti-war movement and other dissident groups in the United States.

The Times yesterday quoted a former undercover CIA agent as saying that much of the spying against radicals had been conducted by members of the highly secret Domestic Operations Division of the CIA.

Authoritative intelligence sources acknowledged in interviews yesterday that Mr. Angleton's Counterintelligence Division had played a separate role from that of the Domestic Operations Division. Both divisions, the sources said, were found during a review last year to have operated illegally inside the United States.

It could not be learned whether Mr. Colby has initiated any punitive steps against officials of the Domestic Operations Division.

which has offices in more than a dozen cities in the United States.

Government sources did say, however, that the sudden resignation of the three remaining top deputies of the Counterintelligence Division was a direct result of a decision by Mr. Colby not to promote any of them after

Mr. Angleton's resignation. It was learned that Mr. Colby had informed the men, each of whom had CIA careers spanning more than two decades, that they were being transferred from counterintelligence work.

In a telephone interview today, Operations Chief Miller confirmed (Continued on Page 2, Col. 8)



U.S. District Judge John Sirica arriving at trial yesterday.

Told to Ignore Nixon's Pardon

Jury Gets Watergate Case After Instructions by Sirica

WASHINGTON, Dec. 30 (AP).—U.S. District Judge John Sirica instructed the jury in the Watergate cover-up trial today to ignore the pardon granted Richard Nixon in considering the guilt or innocence of five of his former administration and campaign aides.

"Neither the pardon of former President Nixon nor any other cases or extraneous matters should have any effect on your deliberations or your verdict," Judge Sirica said.

He repeatedly explained the cover-up charge as a conspiracy to "influence, obstruct and impede and corruptly endeavor to influence, obstruct and impede, the due administration of justice in connection with the Watergate investigation and in connection with the trial of the original Watergate defendants."

Small Jury Room

The nine women and three men on the panel stepped into a small room off the courtroom to begin weighing the evidence against the defendants.

They are former Attorney General John Mitchell, former White House aides H. R. Haldeman and John Ehrlichman, former Assistant Attorney General Robert Mardian and Kenneth Parkinson, who was a lawyer for Mr. Nixon's re-election committee.

All are charged with conspiring to obstruct the investigation of the original Watergate break-in. All but Mr. Mardian are charged with obstruction of justice. Mr. Mitchell, Mr. Haldeman and Ehrlichman also are charged with perjury.

On Mr. Haldeman's lap was a yellow legal pad identical to the kind on which he took notes throughout the trial and throughout his career as chief of staff in the White House. But he took few notes during Judge Sirica's instructions.

Mr. Mardian looked neither at the judge nor at the jury but wrote rapidly on a legal pad of his own.

2 Counts Dismissed

The judge informed the jury for the first time that he had dismissed two counts in the indictment which charged Ehrlichman and Mr. Haldeman with lying to FBI agents.

The case went to the jury on the 63d day of the trial and after they had heard testimony from more than 80 witnesses and had listened to 20 tapes including 25 of presidential conversations during Mr. Nixon's administration.

The trial was the climax of a scandal that forced Mr. Nixon to resign the presidency less than two years after he was re-elected by one of the largest margins in U.S. history.

The grand jury that returned the indictments March 1 also named Mr. Nixon as an undicted co-conspirator.

Judge Sirica instructed the jury that if it finds any one of the five defendants to have knowingly taken even a small part in the conspiracy, then that defendant must be found as guilty, as the four others.

On the other hand, Judge Sirica said, "I want to caution you that mere association with one or more conspirators without participation does not make one a member of a conspiracy."



Wilbur Mills



END OF A REIGN—The last meeting of Sweden's Council of State headed by King Carl XVI Gustav was held yesterday at the Royal Palace in Stockholm. According to a new law, as of 1975 the Council will be headed by the Prime Minister. From left, Agriculture Minister Svante Lundkvist, Finance Minister Gunnar Ekland, Prime Minister Olof Palme, Prince Bertil and King Carl XVI Gustav.

Escape From Debts Is Seen Behind Stonehouse's 'Death'

By Bernard D. Nossiter

LONDON, Dec. 30 (UPI)—Debt drove John Stonehouse, a former cabinet minister, to stage his drowning and start a new life under an assumed name in Australia, authorities here said.

Today, two government agencies disclosed that they are looking into the affairs of the Labor party member of Parliament. Detectives are checking the books of several of Mr. Stonehouse's companies. Inspectors from the Department of Trade with wider powers to question witnesses and examine records, are examining a bank and other concerns.

Since he vanished from a Miami Beach hotel Nov. 20, he has inspired a rash of theories. He was linked to gangsters, Czechoslovak intelligence and the Central Intelligence Agency. But the prosaic explanation of money woes is now accepted by knowledgeable sources here as his motive.

Message to Wilson
After his unmaking by the police in Melbourne, Mr. Stonehouse sent a telegram to Prime Minister Harold Wilson in which he said that he had run away because of "incalculable pressures being put on me, particularly in my business activities and various attempts at blackmail."

The word "blackmail" was taken to be a description of his creditors' efforts to collect debts. Mrs. Sheila Buckley, his personal secretary, has suggested that "bullying" is more accurate. It fits, she said, his "business enemies" who "tried to take advantage of his position as an MP."

Mr. Stonehouse himself told the press that business associates threatened his political career by demanding that he make good on loans and deals he had undertaken.

The exact size of these debts is not known but investigators have made a preliminary estimate of more than \$600,000. Peter Collaro, a former executive in one of the many firms set up by Mr. Stonehouse, has said that the MP is "bound to be declared bankrupt."

Until last summer, Mr. Collaro ran Global Inter, Mr. Stonehouse's export-import concern. He translates "blackmail" to mean simply that the suppliers want to be paid for their goods. He also said Mr. Stonehouse welched on a promise to buy back Mr. Collaro's \$11.700 investment in the company.

Mr. Stonehouse had directed Britain's post office, served as minister of posts and telecommunications in a secret Labor government and was also an unsuccessful entrepreneur. His first

Reports of Talks With Palestinians Denied by Israel

JERUSALEM, Dec. 30 (UPI)—Israel today denied reports that its officials had secret meetings with representatives of the Palestine Liberation Organization to discuss the prospects of negotiations.

"No such meetings have taken place in Paris or anywhere else," an official Foreign Ministry spokesman said in a statement. The newspaper Maariv, the communist called reports of the meeting "entirely unfounded."

[The FLO office in Paris also denied the reports, AP reported.] Meanwhile, news reports here said that Israel has appointed one of its leading atomic scientists to the strategic planning division of the Defense Ministry and plans to name another nuclear scientist as an adviser.

The Jerusalem Post said Prof. Saadia Amiel, a nuclear chemist at Hebrew University and a senior staff member at the Nahal Sorek experimental nuclear research facility, would serve in the office of Yehoshafat Harkabi, assistant in charge for strategic policy.

The Post also said Dr. Yisrael Neuman, president of Tel Aviv University and physicist, would be named as a senior adviser to the Defense Ministry.

Papadopoulos Is Accused of High Treason

By Bernard D. Nossiter

ATHENS, Dec. 30 (AP)—Five leaders of the 1967 army coup, including ex-dictator George Papadopoulos, were officially charged yesterday with high treason and insurrection.

The IRA proposals were said to include the confinement of the 15,000 British troops to barracks, a British commitment to withdraw them altogether from Northern Ireland and an end to internment—the jailing of suspects without charge.

IRA sources asked that the British immediately release between 100 and 200 detainees from Maze prison, as a token gesture.

Britain's position has been that, before initiating any such move, it needed further indications that the IRA is ready to make peace.

Dublin Refuses Riots
DUBLIN, Dec. 30 (UPI)—Ireland's Justice Minister Patrick Conboy today described as "ridiculous" a demand by inmates at the Portlaoise maximum-security prison that prisoners be segregated.

Troops and police firing rubber bullets last night ended a six-hour revolt by 140 prisoners.

One of the demands of the IRA's Provisional wing was the removal of eight prisoners who were members of the less militant Official wing of the IRA. Mr. Conboy said: "It is ridiculous for any group of prisoners to seek to dictate where the state shall imprison men convicted of serious offenses."

Mrs. Gandhi Sees Aid Duty Of Rich Lands

By Bernard Weinraub

NEW DELHI, Dec. 30 (NYT)—Prime Minister Indira Gandhi assailed wealthy nations today, saying that the affluent had an "obligation" to assist poor countries such as India.

"It is not a new form of arrogance for affluent nations to regard the poorer nations as an improvident species whose numbers are a threat to their own standard of living," Mrs. Gandhi said in a speech before nearly 600 delegates at an international law conference here.

The world's resources must be developed to make equitable distribution possible, she said. "An obligation rests on the haves to generate confidence among the have-nots."

Mrs. Gandhi's speech reflected the public stance of Indian officials and newspapers that Western nations are essentially wasteful and are consuming too much food at the expense of poorer nations.

Discussing the "obligation" of wealthy nations to the poor, Mrs. Gandhi said: "In order to achieve greater mutual confidence, perhaps a new approach to foreign investments is indicated, in which investments are made on a reciprocal basis as a service to the recipient community rather than as an enterprise where profits and their repatriation must be secured at all cost."

Soviet-Indian Trade
NEW DELHI, Dec. 30 (Reuters)—The Soviet Union will supply India with 1 million tons of kerosene and 200,000 tons of diesel oil in 1975, it was announced here today.

The Soviet Trade Minister, I.T. Grishin, told newsmen here that payments would continue to be made in rupees under the 1976 trade protocol. Next year's trade was expected to be a record 7.8 billion rupees (\$800 million), he said.

He said the Soviet Union had supplied India in 1974 with 1 million tons of kerosene and 100,000 tons of diesel oil.

Bomb in Tehran Car Kills a Police Officer

TEHRAN, Dec. 30 (AP)—A police officer was killed and his daughter critically injured today when a bomb exploded in his car, a government spokesman said.

It was the first guerrilla action in several months. The Topomars guerrillas suffered a major setback when about 200 were killed in battles with security units or executed by firing squads.

Touré Re-Elected
DAKAR, Senegal, Dec. 30 (AP)—Sékou Touré, President of Guinea since it gained independence in 1958, was re-elected yesterday with 100 per cent of the votes, Radio Conakry said in a broadcast monitored here.

Britain Seeks Extension of Truce by IRA

Rees, Clerics Meet; Boy, 17, Is Killed

BELFAST, Dec. 30 (UPI)—Mervyn Rees, the British state secretary in charge of Northern Ireland's administration, met today with leaders of the province's four major churches—Catholic, Church of Ireland, Presbyterian and Methodist—to discuss ways of winning an extension of the Irish Republican Army's holiday cease-fire. The outcome was not disclosed.

The IRA's 11-day cease-fire, due to end in three days, has been the longest period of peace in five years of warfare among Catholics, Protestants and security forces.

The truce was interrupted today when gunmen killed a 17-year-old boy. The youth was shot in the head in a field in a Protestant area five miles north of Belfast, police said. He was the 1,143rd person slain in five years.

Peace Proposals
After secret negotiations with four Protestant churches, the IRA had announced the truce, "on the understanding" that it would evoke a positive response from Britain on IRA proposals for a permanent peace.

The IRA proposals were said to include the confinement of the 15,000 British troops to barracks, a British commitment to withdraw them altogether from Northern Ireland and an end to internment—the jailing of suspects without charge.

IRA sources asked that the British immediately release between 100 and 200 detainees from Maze prison, as a token gesture.

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THAT'S ALL THERE IS—Last-minute shoppers for New Year's trees at one Moscow store found only these scrawny ones left. Sign above store entrance says "New Year Bazaar."

Many Russians Unable to 'Spruce Up' Holiday

MOSCOW, Dec. 30 (UPI)—

Moscowites made a last-minute rush on stores today in a search for fir trees for celebration of the New Year. Many were disappointed—finding that the good ones had been sold and only scrawny, stick-like trees were left.

After the 1917 Revolution, Communist authorities switched the official day of merry-making from Christmas to New Year's. With the change went all the traditional Christmas trappings, including decorated fir trees.

Those who venture into the country to cut down trees themselves risk fines of up to 50 rubles (\$88.50).

Leningradskaya Pravda said that police roadblocks set up to catch poachers netted 2,000 of them in Leningrad this year.

The newspaper said that only 400,000 trees were available in the city of 4.3 million inhabitants.

Environmentalists urged citizens to use only one or two branches of a fir tree to make a "New Year's composition."

"Such bouquets can create a good mood and take the place of a fir tree in a small apartment," Leningradskaya Pravda quoted a conservationist as saying.

As with many other things in the Soviet economy, they are known as "deficit items"—which means that they are hard to get.

The smart shoppers usually line up a source—legal or otherwise—well in advance of the holiday.

Slipping a bottle of vodka or a couple of rubles to a truck driver or tree salesman insures, in most cases, the reservation of a good tree.

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Warmest Christmas Week in Decades

Winter in Europe Might as Well Be Spring

BONN, Dec. 30 (AP)—Cherry

trees in bloom, steady rains and sparse snowfalls have marked the most unwintrylike start of winter that Europeans have lived through in decades.

Most capitals reported hardly a snowflake in sight during the Christmas season and only in the last two days have ski conditions in Alpine regions improved on slush-and-hare-spots.

In the Bavarian ski resort of Oberstaufen, skiing prospects were so dim that the women's downhill and giant slalom World Cup events scheduled for Jan. 3 and 4 were cancelled.

Records for wettest and warmest were reported in Sweden, Belgium, Switzerland, Denmark and the Netherlands, where the thermometer climbed in Amsterdam to 12 degrees centigrade (53 Fahrenheit) for the warmest day after Christmas in 130 years.

In Brussels, Japanese cherry trees outside the Common Market Executive Commission headquarters are beginning to bloom and bushes are budding. Belgium has not had any winter so far but it has not stopped raining there, as in many other parts of Europe, since the fall.

Weather statistics in the Netherlands show the country went through the wettest autumn in 230 years. The Swedes recorded the wettest autumn and warmest fall in a century, with the first real winter day coming just last Sunday.

Some Norwegian parents bought their children bicycles for Christmas rather than skis and skates because of the rain or warm weather in southern parts of the country, where daffodils, snowdrops and other spring flowers have started to sprout.

In Paris, the weather bureau reported a series of temperatures that set records for the century for the respective dates, including 13.8 degrees centigrade on Christmas Day and 14.5 on Dec. 28 (57 and 58 Fahrenheit).

The weather bureau said, however, that the warm December has not particularly affected the ski industry in France because of heavy snowfalls in October.

Flowers were reported on alpine trees in the south of France, where they usually do not blossom until late March.

Only in the last two days have ski conditions picked up in southern Germany and Switzerland. Preliminary reports indicate "slightly" reduced business at Swiss ski resorts but the cause may be economic and not climatic.

Noon temperatures in Switzerland ranged up to 18 degrees centigrade around Christmas, forcing skiers to seek higher altitudes and officials to cancel several winter sports events.

Spain's skiing industry is suffering a far greater problem. With absolutely no snowfall thus far, hotels at skiing centers are

reported to be empty and about 500 ski instructors are idle. Unlike most of Europe, areas of southern and eastern Spain are in the throes of a six-month-long drought that has caused losses in cattle and farm products estimated at about \$250 million so far.

In Italy, only the highest resorts near the Austrian and French frontiers have sufficient snow for skiing. Those slopes are congested.

But the unseasonable weather has provided a boon to the tourist industry of Sicily. This weekend, tourists donned bathing suits for Christmas vacation dips in the Mediterranean.

Three More Ranking Officials Of CIA Reported to Resign

(Continued from Page 1)

ed that he had "resigned" but denied that it was because of the allegations about domestic spying.

By retiring before the new year, the three officials could increase their pensions by roughly 7 per cent a year.

Mr. Rocca, reached by telephone at his home, refused to comment on his retirement. Mr. Hood could not be reached yesterday.

An intelligence official said that the three men are known to believe that much more spying and other illegal activity was conducted by the Domestic Operations Division than by the agents in counterintelligence who were said to have concentrated more on keeping track of Soviet and other foreign espionage personnel.

In his television interview, Sen. Proxmire urged that Congress establish an independent special prosecutor with subpoena powers "who will prosecute every illegal action by CIA agents, past or present."

The senator criticized the Ford administration's decision to permit Mr. Colby himself, as CIA director, to investigate the charges of domestic spying.

Mr. Colby submitted last week to President Ford during the chief executive's vacation at Vail, Colo.

Congressman Assured
MIAMI, Dec. 30 (AP)—Rep. Claude Pepper, D-Fla., said yesterday that CIA Director Colby has assured him that the agency is not keeping a file on him.

He said that Mr. Colby called him early yesterday about a time magazine report which named the congressman as one of four public officials who have been spied on by the CIA.

Rep. Pepper said Mr. Colby told of ordering a check of CIA files, and "he said there was not a single mention of my name."

charges of domestic spying. The White House is expected to make a statement this week on a 50-page report which Mr. Colby submitted last week to President Ford during the chief executive's vacation at Vail, Colo.

Ruling in Italy On Plot Probes Stirs Criticism

ROME, Dec. 30 (NYT)—Italy's highest tribunal in all cases not involving constitutional questions, the Court of Cassation, in a controversial decision today ordered that all judicial investigations of alleged rightist plots be conducted centrally from Rome.

The ruling meant that magistrates in Padua and Turin who had been investigating presumed neo-Fascist conspiracies must turn over all their findings and records to a court in the nation's capital.

The procedural decision, which in effect forbids judicial authorities in the provinces to pursue inquiries into alleged plots, set off a chorus of protests by leftist groups and newspapers.

The critics contended that courts in Rome were notoriously sensitive to pressures from the government and political power centers, and predicted that the investigations started by provincial magistrates would now lead nowhere.

The Court of Cassation explained in its ruling that the inquiries conducted by several courts were overlapping, and under the rules of procedure must be consolidated in Rome.

Italian Bus Crash Kills 5
ALESSANDRIA, Italy, Dec. 30 (AP)—Five persons were killed and 11 were seriously injured today when a bus, taking 30 workers to the funeral service of their employer, crashed with a truck near this north Italian town.

Caracas Left Assails U.S. Envoy Choice

Nominee's Activities In Chile Criticized

By Joseph Novitski

CARACAS, Dec. 30 (UPI)—The nomination of Harry Shlaudeman as U.S. ambassador to Venezuela has been greeted in Caracas with a mixture of protest because of his service to the Dominican Republic after American troops landed there in 1965 and in Chile during the government of the late President Salvador Allende.

Mr. Shlaudeman has been accused of being an agent of the Central Intelligence Agency in leftist Latin-American parties.

The Venezuelan government, however, has agreed to the nomination. Leaders of President Carlos Andres Perez's party have told reporters, in an attempt at moderate criticism, that the goodwill between two governments is more important than the personality or reputation of an ambassador.

Since the fall of Mr. Allende, Socialist government in Chile, bloody military coup last year, the left in many Latin-American countries has identified Mr. Shlaudeman with reported American intervention in Chile against Mr. Allende.

Spreading Criticism
Criticism of the Shlaudeman nomination began on the left of the Venezuelan political spectrum and spread to all of the country's important parties, including the governing Acción Democrática party, at the rank-and-file level. Mr. Perez's administration announced last week that it had agreed to the nomination and has made no further comment.

Mr. Shlaudeman, now serving as deputy assistant secretary of state for inter-American affairs in Washington, must be confirmed by the U.S. Senate before replacing Ambassador Robert McClintock here. In June, Mr. Shlaudeman testified before a House of Representatives subcommittee investigating U.S. connections with the coup in Chile.

Five months later, President Ford said that the U.S. government had supported Chilean newspapers and political parties in opposition to Mr. Allende's attempt to bring socialism to Chile. Mr. Shlaudeman served as deputy chief of the mission, the second-ranking post—in the U.S. Embassy in Santiago from June, 1969, 16 months before Mr. Allende's election, until a few months before the coup in September, 1973.

Negotiated Withdrawal
Previously, he had served as political officer in the U.S. Embassy in Santo Domingo, from 1962 to 1963. He returned after Marines were landed in the Dominican Republic by President Lyndon Johnson's administration in 1965 and served as part of the diplomatic team that negotiated the withdrawal of American troops under Ambassador Ellsworth Bunker.

After Mr. Allende's election, some members of his coalition of Marxist parties said they preferred to deal with Mr. Shlaudeman but that they sensed he was not personally sympathetic to their political aims.

There are a number of former high-ranking members of the Allende coalition in exile in Caracas.

Brezhnev Calls Off His Visit To Arab Capitals in Mideast

(Continued from Page 1)

the West and particularly with the United States.

Despite the postponement, Mr. Fahmy and Gen. Gamsay carried on separate rounds of official meetings today. Mr. Fahmy met his Soviet counterpart, Foreign Minister Andrei Gromyko, for talks that Tass characterized as covering "matters of mutual interest."

Gen. Gamsay held a meeting with Soviet Defense Minister Andrei Grechko. The two Egyptian ministers are expected to leave for home tomorrow.

It was not clear what impact the postponement would have on the economic and military aid that the Egyptians have been seeking here. The delegation led by Mr. Fahmy to Moscow in October, when the Brezhnev visit was announced, secured promises of a reevaluation of economic aid that included Soviet participation in a steel and iron complex and an aluminum factory.

The Egyptians have had less apparent success in asking for Soviet arms that are more modern than those they lost in the October, 1973, fighting with Israel.

Israelis Heartened
JERUSALEM, Dec. 30 (NYT)—The postponement of Mr. Brezhnev's visit gives Mr. Kissinger more time and a better chance to arrange for the second stage of disengagement talks between Israel and Egypt and Syria.

This, informed diplomatic observers here feel, is one of the few safe conclusions that can be drawn from the decision in Moscow.

There is no doubt in informed Arab circles here that the postponement was decided by Soviet officials and accepted with great disappointment by Syria and Iraq. The reaction of the Egyptian leaders is believed to be more ambiguous, as President Sadat has been hoping to avoid making a choice between the American step-by-step approach and the Soviet policy of overall negotiations at Geneva.

Washington Is Silent
WASHINGTON, Dec. 30 (AP)—State Department spokesman Paul Hare brushed aside questions today on the postponed trip of Mr. Brezhnev to Egypt, Syria and Iraq.

ax-Boost Idea Regarded as Dead.

Ford Seen Asking Congress for Tax Cut to Spur Economy

By Carroll Kilpatrick

WASHINGTON, Dec. 30 (UPI).—The strongest indication yet that President Ford will ask Congress for a tax cut to stimulate the economy came yesterday when a high administration official conceded that the President's October proposal for a 5 percent boost is dead.

The President has been under strong pressure from some elements of business and labor, as well as from some members of Congress in both parties, to support a sizable tax cut as an anti-recession weapon.

Mr. Ford has resisted the pressure on the grounds that a sudden shift from a policy of fighting inflation to a policy of fighting recession would be tantamount to the long-run fight to achieve economic stability.

In an interview last week the President said his "tilt" now was more toward fighting recession than fighting inflation.

He declared in October that inflation was the No. 1 economic problem and he asked Congress for a 5-percent surtax on mid-

die and upper incomes to raise an additional \$5 billion to pay for measures to help those hurt most severely by loss of jobs.

Congress never seriously considered the proposal for a 5-percent surtax and it has been obvious for some weeks that the proposal was dead. But the administration official has previously conceded it.

A Dead Issue

Yesterday, an official who worked with Mr. Ford closely every day last week said that the issue was dead but that some other parts of the October economic package would be resubmitted in the President's State of the Union message Jan. 20.

The President has made it clear in a number of recent comments that he intends to make bold proposals affecting energy and the economy when he addresses a joint session of Congress next month.

White House Press Secretary Ronald Nease said this week that in meetings with his advisers Mr. Ford expressed chagrin over the size of the budget deficit that may be "unavoidable" in fiscal 1975, which ends June 30, and in fiscal 1976.

That is one reason he has hitherto opposed a tax cut to stimulate new economic growth. But some economists have told him the recession could get much worse without some form of tax relief.

If the President is against a surtax and is prepared to ask for basic economic reforms, a tax cut, whether large or small, appears to be the major course he will have to take.

Spending Is the Key

WASHINGTON, Dec. 30 (UPI).—The continuing growth of federal spending threatens to cut the size of any anti-recession tax reduction that President Ford might propose to Congress next month, according to high administration officials.

There is mounting support among the President's advisers for a tax reduction to spur the economy. "There are few people left who feel that stimulus for the economy is not required," an official said.

But a major constraint on tax reduction is the size of the budget deficit that will exist even before a new stimulative move. This deficit, possibly exceeding \$30 billion, partly reflects the impact of the recession in reducing receipts, but it also partly reflects the upward surge of spending.

The spending total in the budget may well exceed \$340 billion, although the final figures have not yet been decided. This compares with a probable total of about \$310 billion in the current fiscal year and \$268.4 billion in the fiscal year that ended June 30.

Undesirable Stimulus

"We're getting stimulus—undesirable stimulus from my point of view—from the spending side of the budget," another high official said. "We simply cannot say that we've got spending under control."

The size of a proposed income-tax reduction will depend not only on the final spending total that the President decides upon but also upon any new energy tax that he may want to adopt. If, for example, he were to impose a new fee on oil imports (which he could do without an act of Congress), the resulting receipts would make possible a much larger income tax reduction than would be the case without the new fee. The same would be true for a gasoline tax increase, which would require an act of Congress and which the President has said he continues to oppose.

In any case, if a new energy tax or fee is adopted, the income tax reduction could be large even in the face of the continued rapid growth of budget outlays.

N.H. Two-Vote Senate Winner Given Head Start on Seniority

CONCORD, N.H., Dec. 30 (AP).—Gov. Meldrim Thomson of New Hampshire today appointed Rep. Louis Wyman to succeed Sen. Norris Cotton when the senator resigns tomorrow.

Rep. Wyman, a Republican five-term member of Congress, was recently declared the winner of New Hampshire's Senate race by the State Ballot Law Commission by a margin of two votes.

His opponent, John Durkin, appealed directly to the U.S. Senate today to be seated in the next Congress. He asked the Senate Rules Committee to recommend a reversal of the State Ballot Law Commission decision.

By taking the oath of office immediately upon the effectiveness of Sen. Cotton's resignation, Sen.-elect Wyman will have seniority over all members of the Senate who take the oath thereafter.

Gov. Thomson said that he was acting in the best interests of the people of New Hampshire and that he would have appointed Mr. Wyman's Democratic opponent if Mr. Durkin had won the election.

Rep. Wyman led in initial returns from the Nov. 5 election but Mr. Durkin was declared the winner in a recount. The decision was reversed again by the State Ballot Law Commission. Final official figures gave Rep. Wyman 110,926 votes to 110,894 for Mr. Durkin.

Sen. Cotton did not seek re-election and was one of several senators to announce retirement only days before their terms expire. The early retirement makes them eligible for extra pension benefits and allows their successors to be appointed early to gain seniority.



SIGNS OF THE TIMES—A men's store, opposite bomb-damaged Selfridges department store in London's Oxford Street, was one of many to start the traditional January sales early this season. The early sales are starting on the Continent, too.

Among Western Allies, Japan

Inflation Cuts Into 'Real' Spending on Arms

By John W. Finney

WASHINGTON, Dec. 30 (UPI).—Inflation is beginning to slow the steady growth in defense budgets of the Western allies and Japan, although not yet to the damaging degree that had been feared by defense planners of the United States.

Most of the allies are still increasing their defense budgets sufficiently to keep pace with inflation. But some, such as Britain, Canada and Italy, are facing cutbacks.

Hardest hit by inflation has been the United States, which is carrying the largest defense burden in the Western alliance. The Pentagon has been projecting a \$1.7-billion increase this fiscal year in the purchasing power of the defense budget. Because of inflation, it now appears there will be a \$5-billion reduction in what Pentagon planners term "the real program value" of the defense budget.

These trends emerged from a country-by-country survey by The New York Times on the impact of inflation on the defense budgets of the major allies of the United States. They are supported by internal studies carried out by the Defense Department.

Thus far, the trends do not support gloomy projections of Pentagon officials that the North Atlantic Treaty Organization is being driven to "unilateral disarmament" by inflation. But it is a long-term prospect that continues to haunt Pentagon officials as they contemplate the relative military efforts of the Soviet Union and the United States and worry that inflation and recession may cause some allies to cut back.

A 2d-Class Power

Defense Secretary James Schlesinger has been warning that continuation of present trends could turn the United States into a "second-class power" because of the erosive effect of inflation.

What particularly concerns Mr. Schlesinger is the relative decline of the American defense budget, while that of the Soviet Union has been increasing.

From the late 1950s to 1970, according to studies by the Central Intelligence Agency, the U.S. defense program exceeded the Soviet Union's. But, since 1970, the Soviet program has exceeded that of the United States, according to CIA estimates. In recent years Soviet defense spending is estimated to be increasing at 3 percent to 5 percent annually.

Meanwhile, American defense spending—as measured in "con-

stant dollars," or dollars discounted for inflation—has been declining. In "constant dollars," the present budget of \$84 billion is more than \$8 billion below the 1964 budget—before the Vietnam buildup began.

Needs \$10 Billion

Nor does it appear that this relative downward trend is likely to be reversed soon. The Defense Department estimates that it would need an additional \$10 billion to offset the loss of its purchasing power caused by inflation in the last year or so. In next year's defense budget, which is in the final stages of preparation, it is now expected that the Defense Department will be given only about a \$3-billion "inflationary offset," meaning the Pentagon will have to "swallow inflation" by cutting back by \$7 billion on purchases of weapons and equipment.

As for the major allies, the impact of inflation has not been as severe, in part because they generally devote less of their resources to defense than does the United States. The United States spends about 6 percent of its gross national product for defense. The European allies generally spend around 3 percent.

The discrepancy has led to constant prodding by the United States for the European allies to "share the burden." Until double-digit inflation beset the Western world in late 1973, the prodding was partly successful.

From 1970 to 1973, the largest European allies—West Germany, France, Britain and Italy—as well as Japan, showed increases in "real" defense spending. Inflation, however, is now making inroads.

West Germany, which has the lowest inflation rate among the European allies, is likely to maintain or increase its defense effort. France, Belgium, Denmark, the Netherlands and Norway are also expected to increase their defense budgets sufficiently to keep pace with inflation.

Britain and Italy, both facing serious economic problems, are reducing their defense programs this year. Japan, after three years of large increases in defense spending, will make a reduction this year.

Following are the trends in individual countries as determined in The New York Times survey studies prepared by the Defense Department.

West Germany

The Bonn defense budget in recent years has been increasing at a rate of 8.3 percent a year, more than enough, in the opinion of German defense officials, to offset the 6.3-percent inflation rate.

Officials acknowledge, however, that inflation is eroding the real value of the defense budget, which will total \$11.26 billion this year.

France

The recently approved defense budget for the coming year will total about \$2.7 billion—a 13-percent increase over this year.

Although inflation is running at about 16 percent, French officials believe the increased defense budget will at least keep up with inflation and probably result in a small "real" increase in the military program.

Italy

The defense budget next year will be increased to \$4.8 billion, about double the level in 1970.

Despite the steady annual increases, the defense budget is not keeping pace with inflation, which is now running about 20 percent, and the result is a real reduction in defense spending.

Britain

Through 1973, the defense budget rose about 3 percent more a year than did inflation. Starting this year, this trend was reversed, as large cuts were made in planned programs.

With inflation running at 14.5 percent, these cuts virtually guaranteed a reduction in "real" defense spending. In addition, the Labor government has proposed an \$11.2-billion cut in de-

fense spending to be achieved over a period of 10 years.

Canada

A government policy of a 7-percent annual increase in the defense budget has been insufficient to keep pace with inflation, with the result that the Canadian defense forces have been caught in a severe budgetary squeeze. Manpower is below authorized levels and air and sea operations have been curtailed for economy.

The government was forced recently to provide an additional \$350 million for the military, raising the defense budget to \$2.8 billion next year.

Japan

Defense spending for next year probably will be 16 percent to 18 percent over this year's \$3.5 billion budget, but the increase will not come close to matching inflation. Most of the increase will go for higher military pay. Japan's five-year defense plan, which was supposed to cost \$15 billion between 1972 and 1976, is now estimated at twice that.

22 Die in South Vietnam

Civilian Ferry Hits Mine in Mekong Delta

SAIGON, Dec. 30 (UPI).—A civilian ferry hit a mine in a Mekong Delta canal and the explosion killed 22 persons and wounded 23, military spokesmen said today.

Lt. Col. Le Trung Hien said the incident occurred late last Saturday afternoon. The report reached Saigon today.

It was South Vietnam's worst civilian war incident since 24 school children were killed on March 9 when a Communist-made mortar shell hit a primary school at Cai Lay, 36 miles southwest of Saigon.

Government officials said the ferry was transporting civilians along a major inland waterway called Canal 12 when it hit the mine.

All the dead and wounded were civilians, they said. Spokesmen

said the mine was laid by Communist troops.

Canal 12 runs through Kien Tuong Province. The explosion occurred six miles southeast of Moc Hoa, a provincial capital 52 miles west of Saigon.

On Vietnam battlefields, the level of combat dropped yesterday to the lowest point since the beginning of the current Communist upsurge of attacks, the Saigon command said today.

Spokesmen reported 106 attacks yesterday and early today. The lowest number in any 24-hour period since Dec. 6, when they reported 91.

Westerners Safe in Laos

VIENTIANE, Laos, Dec. 30 (AP).—Nineteen American civilians who were in Ban Houei Sai when rebellious Laotian troops took over the Mekong River town in northwest Laos six days ago arrived safely in Vientiane today.

Jack Zurbrugg, who is in charge of the U.S. Agency for International Development's program in the Ban Houei Sai area, said they left because of a "total breakdown in law and order."

"We didn't want to leave our (Laotian) friends, but it became very evident this morning that we could not stay," Mr. Zurbrugg said.

The Americans, an Italian missionary and a Briton crossed the Mekong River to the Thai border town of Chiang Khong and were flown from there to Vientiane, 250 miles to the southeast.

One of the freed Americans was carried off the plane on a stretcher and taken to a hospital. But U.S. Embassy officials said he had not been hurt by the rebels. They explained that he was in a hospital in Ban Houei Sai recovering from injuries suffered in a motorcycle accident when the rebels took over the town.

The others appeared to be in good condition.

Italian Doctors Strike

ROME, Dec. 30 (AP).—About 40,000 physicians of the national health service went on a 48-hour strike today to protest laws that the strikers said were blocking discussion of a new labor contract and reform of the health service. During the strike, doctors will carry out only urgent visits.

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Competition For Nurses Rising in U.S.

MILWAUKEE, Dec. 30 (AP).—Spitals in many areas of the United States are waging recruitment wars with the lure of higher salaries, more benefits and even a furniture for experienced nurses and promising graduates. Hospitals are in effect pirating nurses from each other. We're not solving the problem this way. We are just shifting the burden," said John Turk of the Hospital Council of the Milwaukee area.

There is generally not a shortage of nurses, as the American Nurses Association said in Kansas City. "But there is maldistribution creating shortages in various areas."

Rural Shortages

She said nurses, as well as doctors, are in the greatest demand in rural areas. But spitals in such cities as New York, Boston and San Francisco are high stakes in recruiting wars.

"I know in New York some spitals rent out whole floors of apartment buildings and then buy a furniture for nurses who are to live there," she said.

Hospitals in Milwaukee wine 4 dine nursing graduates, pay nurses to nurses who line up and advertise jobs in newspapers, on radio and television and even on billboards. But nursing schools throughout the country are turning out more graduates than ever. At the University of Wisconsin-Milwaukee, for instance, nursing students compete in a lottery to determine who gets to take required courses each semester.

Thelma Mandler, a statistician in the nurses association, said a shortage is most apparent in Alabama, Arkansas, Mississippi, Louisiana and other southern states where some units have fewer than 40 nurses per 100,000 population.

"Nationally, the average is out 280 nurses per 100,000 population," she said. "The New England states have the highest percentage with 596 for every 10,000."

Outer Dies at Site of Sri Lanka Crash

COLOMBO, Dec. 30 (AP).—A crash of the Dutch DC-8-63 into Sri Lanka's Seven Sisters Mountains Dec. 4 has killed its 192nd victim.

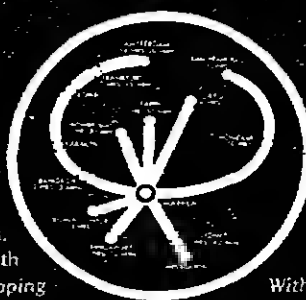
The police said today that a star trying to reach part of a wreck fell to his death in an inaccessible ravine.



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Scientists to Discuss Whether to Go On

The Dangers of Crossing a Genetics Frontier

By Stuart Auerbach

WASHINGTON, Dec. 30 (WP).—Scientists from around the world will meet in California in February to discuss how they can carry on a form of genetic research that holds great promise for mankind but is so potentially dangerous that it could bring about incurable diseases and increases in cancer.

This is believed to be the first time that scientists have come together voluntarily to see if they should continue their work.

Scientists from the Soviet Union and China have been invited to the meeting, which is being financed by the National Cancer Institute and is sponsored by the National Academy of Sciences.

Invitations went out only recently, and there has been little chance to receive acceptances.

The research in question is on the frontier of the new science of genetics—the creation of genetic hybrids. It involves the transfer of the molecules of heredity, known as DNA (de-

oxyribonucleic acid), from animals into bacteria, where they can grow rapidly.

This research, Dr. David Baltimore of the Massachusetts Institute of Technology said, "holds the promise of generating new ways of making therapeutic compounds such as insulin."

"New strains"

"It might also be used to modify bacteria so that new strains would be developed, which would turn nitrogen from the atmosphere into plant food," he said.

But the research also carries great potential dangers—so much so, in fact, that a committee of the National Academy of Sciences called in July for a temporary halt to research in recombinant DNA molecules (genetic hybrids) until the extent of the possible biohazards could be determined.

"This research could create new forms of untreatable infections if the DNA causes bacteria to become resistant to antibiotic drugs or if they form new types of poisonous substances."

One of the big worries, the National Academy of Sciences committee said, is that "a genetically hybrid molecule is grown in a bacterium called *Escherichia coli* (E. coli), which is commonly found in the human digestive tract."

"Unpredictable Effects" "Thus," the committee said, "new DNA elements introduced into E. coli might possibly become widely disseminated among human bacterial, plant or animal populations with unpredictable effects."

Moreover, the committee's research in cancer if DNA from animal viruses, special those known to cause cancer in animals, are linked to other viral DNA.

In asking for the temporary ban on this new type of genetic research, the committee—made up of the leading researchers in the field and headed by Paul Berg of Stanford University—called for an international meeting on the problem.

Prof. Berg, who is planning the February meeting with five other scientists, said the four-day closed session is designed "to evaluate" the extent of the risk and what to do about it.

"It's a fact-finding meeting," he said. "We want to find out where we are going, should we go there and can we get there safely."

Among the people invited are geneticists, molecular biologists, representatives of agencies that give grants, pharmaceutical companies, science administrators, lawyers, physicians and epidemiologists (specialists in tracking diseases).

The meeting is scheduled for Feb. 24-27 at the Asilomar Conference Center, 135 miles south of San Francisco.



REPORTEDLY A RECORD—Fourteen kittens were born to Bluebell, a Persian cat, owned by Elenore Dawson of Wellington, South Africa, who is looking for foster mothers to help Bluebell, who, Mrs. Dawson says, can only cope with six.

But It's Still Too Cold for Colds

Summer Breaks the Ice in Antarctica

By Malcolm W. Browne

NEW YORK (NYT).—There is a cheerful bustle of coming and going in Antarctica these days, suggestive both of the beginning of a new cold year and of a destroyer's arrival in port after a long, hard cruise.

It is the time of midsummer change, when bearded men in filthy red or green parkas leave their winter warrens for the outer world, to be replaced by a startlingly young-looking batch of scientists, technicians, contractors, pilots and administrators. Some senior administrators and researchers are still in their 20s.

As cracks widen in the Ross Sea ice and snow turns to slush under 24-hour-a-day sunlight, penguins, skuas, seals, husky dogs and people grow frisky. Such serious matters as survival and research are momentarily put aside.

A few older hands continue to raise eyebrows at the presence of women in Antarctica again. This year the American community will include 12 women among the several thousand men staying for varying periods.

Those leaving after 10 months' isolation, darkness and temperatures ranging from more than 100 degrees below zero Fahrenheit seem eager to rejoin families and friends in the "real world." The new arrivals at inaccessible McMurdo station seem equally happy to have joined an exclusive community.

Despite the summer sun, the temperature at McMurdo station

rarely rises above 40 degrees. The summer temperatures at the South Pole are brisker still, hovering around 10 below zero. The lowest temperature recorded on earth, 128.9 degrees below zero Fahrenheit, was experienced on Aug. 24, 1960, at the Soviet Union's Vostok Station, in eastern Antarctica.

Scientists studying the 5,000 seals living on and under the ice of McMurdo Sound are assisted

by such gadgets as underwater television and by radio transmitters attached to the animals' flippers that emit signals during mating.

Seals must be handled frequently—they are all counted once a week—and to pacify them while blood samples are taken or tags are attached to flippers, bags are thrown over their heads. Attaching the bags usually involves a brief struggle, although the seals seem to like human beings. There are always volunteer office workers, cooks and others to do the work. They say it is like roping calves at a rodeo.

F.R.B. Godolphin Dies; Classicist, Dean at Princeton

NEW YORK, Dec. 30 (NYT).—Francis R. B. Godolphin, 71, former dean and professor of classics at Princeton College, died yesterday in Tucson, Ariz.

Mr. Godolphin served on the Princeton faculty from 1927 until his retirement in 1970. He became dean of the college in 1945 after serving in World War II with the Marine Corps in the Pacific and rising to captain. He was dean until 1953.

He directed the Princeton program for returning servicemen and had been chairman of the university council on athletics. He taught classics at New York University and the New Jersey College for Women before joining the Princeton faculty. He had edited "The Greek Historians," "The Greek Poets" and "Great Classical Myths."

Julia McCarthy

NEW YORK, Dec. 30 (AP).—Julia McCarthy, 71, New York Daily News Society writer who wrote under her own name or that of Nancy Randolph, died yesterday after a brief illness. She retired Jan. 1, 1973, after almost 30 years with the News.

Bob Custer

TORRANCE, Calif., Dec. 30 (AP).—Bob Custer, 76, silent movie cowboy whose real name was Raymond Glenn, died Friday. He made more than 100 feature films, including "Law of the Mounted," "The Last Roundup," "Riders of the Big Grange" and "Code of the West." He retired from the motion picture field in the late 1930s.

George H. Earle

BRYN MAWR, Pa., Dec. 30 (AP).—George H. Earle, 84, former governor of Pennsylvania and a diplomat, died today. Mr. Earle, a Navy commander in World War I, was elected Pennsylvania's 32d governor in 1934.

Portugal Shifts Power in Islands Of Cape Verde

LISBON, Dec. 30 (Reuters).—Portugal transferred power over its Atlantic Cape Verde Islands today to a transitional government, including members of the ruling party in nearby Guinea-Bissau.

A brief ceremony was held in the Portuguese governor's palace at Cidade da Praia, the islands' capital. The transitional government will rule the islands, situated off the West African coast, until full independence on July 5.

The transitional government, headed by Portuguese High Commissioner Vicente Almeida d'Oliveira, consists of two other Portuguese ministers and three to be appointed by the African party for the independence of Guinea-Bissau and the Cape Verde Islands.

No other groups are represented in the transitional government which means that the Cape Verde Islands almost certainly are going to be linked eventually in a political union with Guinea-Bissau.

Spinola Angered

LISBON, Dec. 30 (AP).—Former President Antonio de Spínola broke a three-month silence today to call a brigadier general a liar. Gen. Spínola challenged a statement by Brig. Gen. Otelo Carvalho, who said that Gen. Spínola had once threatened to ask former U.S. President Richard Nixon to send American troops to Mozambique.

As Pressures for Change Grow

Coalition by Schmidt, Strauss Is Forecast in West Germany

By Joe Alex Morris Jr.

BONN, Dec. 30.—The possibility of a major change in the West German governing coalition in the next few months is beginning to affect the political scenery here.

Predictions of what may happen vary. They range from early national elections to an all-party government of national unity to face the world economic crisis.

A leading pundit, who predicted Chancellor Willy Brandt's downfall seven months ago, has a new one: Mr. Brandt's successor, Helmut Schmidt, will discard his querulous junior partners in the present government, the Free Democratic party.

In their place, he will install Franz Josef Strauss, the leader of the Bavarian wing of the opposition.

Public Position

The leaders of Mr. Schmidt's Social Democratic party and the Free Democrats continue to insist publicly that the present coalition is sound at least up to the scheduled national elections in 1976.

But pressures for a change are unquestionably growing, both in the governing parties and in the opposition.

After a series of disastrous state elections, the Free Democrats—the junior coalition partners—are once again struggling for existence. It is likely in the coming weeks that the coalition will be tested by high unemployment and business failures, the FDP could be wiped out in the next national poll.

To prevent this, the party is increasingly inclined to dislodge itself from Mr. Schmidt's SPD. There are six more state elections coming up and the FDP is not ruling out future coalitions on the state level with the Christian Democratic Union.

Worse yet for Mr. Schmidt, the FDP is taking a tougher line within the present coalition. In recent weeks, sharp differences have come to the surface on how to handle the recession and over

the two domestic reforms which the government had hoped to push through before the next elections. Since Mr. Brandt's departure, relations between the two governing parties have perceptibly worsened. Mr. Schmidt and the FDP leader, Foreign Minister Hans-Dietrich Genscher, enjoy a mutual respect as hardheaded politicians. But the old warmth, which characterized relations between Mr. Brandt and Walter Scheel, now the federal President, is no longer there.

This is where Mr. Strauss could enter the picture. The next federal election could be his last chance to become chancellor, but there are many obstacles in the way, even should the opposition win a clear majority.

He completely dominates politics in Bavaria, the second most important state, and demonstrated his political pull outside his region at a recent meeting in the industrial Ruhr.

His Christian Democratic rivals in the north believe that Mr. Strauss, who is both a Catholic and a conservative, would lose the floating middle voter, often Protestant and liberal, who, in the end, decides which party wins elections in Germany.

Mr. Strauss and Mr. Schmidt, also a conservative but a Protestant from the north, get along surprisingly well. The Chancellor showed up recently at a Bavarian beer party and spent much of the evening with Mr. Strauss.

If Mr. Strauss were to agree to come into a new coalition under Mr. Schmidt, this would automatically boost him into line as the opposition's candidate for chancellor in the 1976 election.

Eyes are now toward the next state election in North Rhine-Westphalia in May. This most populous of all the states, where the CDU and SPD-FDP coalition which in fact was the model that led to the present alignment in Bonn. But the CDU is optimistic that the state will swing back into its ranks.

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Battle Over Indian Idol Stirs Art World, Courts, Diplomats

By Grace Glueck

NEW YORK, Dec. 30 (NYT).—A battle for ownership of the Nataraja, a bronze idol from India, bought for \$1 million in 1973 by the Norton Simon Foundation, has spread to three continents, involving lawsuits in London, Los Angeles and New York, engaging Scotland Yard and the U.S. Customs Bureau in an intensive search for the sculpture and provoking a verbal attack by Mr. Simon on the intervention of Daniel Moynihan, the retiring ambassador to India.

The battle is stirring important questions about controlling the international traffic in cultural artifacts, a step urged by a UNESCO treaty convention signed in 1970 and signed but not yet legally implemented by the United States.

In a \$25-million suit filed this month against Mr. Simon, his two foundations and Ben Heller, the New York dealer who sold the sculpture to him, the government of India claims title to the 10th-century bronze, allegedly stolen from a temple in the state of Madras, and illegally exported.

Because the Nataraja is now in London, in the hands of a restorer, Anna Flaxman, a suit was also filed in that city to prevent its transfer or movement.

Intimidation Charged Mr. Simon said the suit represents "a form of intimidation" to which he will not submit. "I'm sympathetic to their needs, and if they can prove it's their property, they'll get it back," he said of the Indian government. "Even if they don't prove ownership, which I don't think they will, I'm still willing to talk with them. But you can't just wave wands and say you have a title."

He adds that he regards the Nataraja affair as a landmark case, in that it will bear on important issues—for example, the question of the UNESCO draft treaty's legal implementation by the United States.

The UNESCO agreement, which became operative in April, 1972, and was ratified by the Senate, has been signed by 23 nations. It puts the signatories under obligation to help recover stolen art objects, to fight theft from archaeological sites and to block, as far as legally possible, the purchase of art thus declared illicit.

Mr. Simon accused Mr. Moynihan of "trying to trade me off for political influence in Madras," where the Nataraja's return is actively sought. Referring to discussions he had held with Indian government representatives, Mr. Simon said: "Things were going well until Moynihan intervened. The Indians have problems in Madras, and Madras

Call in Singapore To Oust Thanom

SINGAPORE, Dec. 30 (AP).—Five opposition parties demanded the expulsion today of former Thai military strongman Thanom Kittikachorn from Singapore.

da after Thailand expelled him to avoid another uprising.

The demand was made in a letter to Premier Lee Kuan Yew which also accused the Thai government of failing in its duty to allow Thanom to leave Thailand yesterday when it should have put him on trial for crimes committed by him against the people of Thailand.

When Mr. Thanom arrived yesterday, the Singapore government said that he and his family would live in the Thai Embassy "until such time as they can make other arrangements."

Thanom went into exile in the United States after a student-led uprising toppled his militia regime in October, 1973.

slipped back into Thailand Friday, saying he wanted to see his ailing father.

China Reports Drilling Deep-Sea Oil Well

TOKYO, Dec. 30 (AP).—China today reported that its first ship designed to drill for oil in deep water had successfully drilled a well in the southern Yellow Sea.

The Chinese press agency said China has done some geological prospecting at sea in recent years "but the drilling equipment used to be a fixed platform resting on piles or legs and operated in near and shallow seas instead of deep seas."

Callaghan Starts 10 Days in Africa

LONDON, Dec. 30 (UPI).—Foreign Secretary James Callaghan left today on the first leg of a 10-day six-nation African tour which British government officials said may give a new boost to peace moves in Rhodesia.

Mr. Callaghan was heading first for Lusaka, Zambia, where he scheduled talks tomorrow with President Kenneth Kaunda. Later he planned to visit Botswana, Malawi, Tanzania, Kenya and Nigeria.

British officials said that Mr. Callaghan may meet Rhodesian nationalist leaders in Lusaka, where the cease-fire agreement was worked out by Rhodesian Prime Minister Ian Smith and Mr. Kaunda earlier this month.

Brazil's Catholic Church Acts To Keep Links to Ex-Priests

By Bruce Handler

RIO DE JANEIRO, Dec. 30 (WP).—Faced with an alarming decline in its priesthood, the Roman Catholic Church in Brazil is planning to offer friendship to clergymen who quit instead of treating them as outcasts, as it often did in the past.

The National Conference of Bishops of Brazil voted overwhelmingly in favor of a resolution presented at its biannual general assembly last month to deal on an "evangelical and fraternal" basis with former priests and those in the process of resigning and to avoid "any thing which might indicate punishment or humiliation."

About 3,000 Brazilian priests have quit in recent years, for reasons ranging from opposition to celibacy to the desire for better-paying jobs. There are still about 13,000 active priests in Brazil, the world's most populous Catholic country.

The church's revised stand means that former clerics will be invited to cooperate with

priests and bishops in their home towns in ways open to any concerned Catholic layman. For example, former priests could give catechism courses, lecture adolescents on family and marriage problems, work with church-sponsored social welfare programs and even help celebrate mass.

Letters From Priests

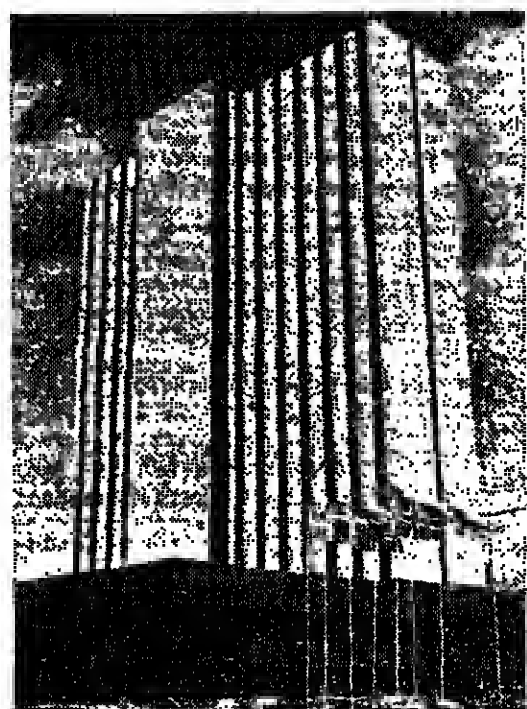
"I personally would like to work again with the church—not just at the priest level," said Joao Torraca. Mr. Torraca, 49, left the priesthood eight years ago—after having served for 15 years—and now works as a data processor for a federal government agency.

A major influence on the vote at the bishops' assembly was a collection of letters from former priests who declared they had in no way lost their Catholic faith and said they felt deeply hurt by insinuations that they somehow had "deserted" Catholicism simply by leaving the active clergy.

A major problem facing the Catholic Church in Brazil is that Brazilians—unlike those of their Latin American neighbors—are not enthusiastic churchgoers. Millions of Brazilians who are Catholics on paper actually are more active practitioners of African-based voodoo cults. Also, Protestantism is making major inroads, and there are now more Protestant clergymen and missionaries here than Roman Catholic priests.

That Brazil's Catholic priest is serious about the newly announced stand became evident a few weeks after the bishops' assembly when Francisco Soares Leite, a former missionary in the northeastern town of Crato, announced he was going to get married after his resignation from the priesthood. The bishop of Crato, the Most Rev. Antonio Fragozo, said he would be willing to perform the wedding ceremony.

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When Authors Turn Their Hands to Art

PARIS (HT).—Jean Cocteau, never a shrinking violet, nearly steals the show, but Victor Hugo puts the upstart in his place with a convincing demonstration that he is not just another monument. And yet the Hugo entry is undeniably monumental: "Sous le vent d'Après-midi," a sepia ink drawing of a battlemented medieval fortress, Cocteau's prime offering is—characteristically—a self-portrait, a pen-and-ink drawing that is the centerpiece of a 1974 letter to Igor Stravinsky. It's addressed to "Dear Igor" and signed "Jean" with a small heart above the signature.

The Cocteau drawing, part of a private collection, is not for sale, but the Victor Hugo castle is priced at 25,000 francs. This makes it the most expensive item on view at the Left Bank gallery of "Echappée-Belle-Germany" (24 Rue de l'Épée). A French publisher, Pierre Belfond, has put together an exhibition, drawn from his own collection, consisting of graphic-art items, mostly drawings, by about 50 literary figures—poets, playwrights, novelists, essayists, living and dead. One drawing by Henry Miller is included, but the other artists represented are (more or less) French.

Ever since Michelangelo, of course, there have been painter-poets, and the line of poet-painters probably goes back just about as far. The chief revelations of a show such as this are how many top-drawer writers drew at least acceptably, and how well the best of them drew, or painted.

Valéry Drawings

Paul Valéry, for example, is represented by four drawings. One of them, an ink-and-wash of a man sitting at a café table, would do credit to any professional. The other Valéry works on view are slighter but also impressive. As for Cocteau, his 1917 "Portrait of Picasso," drawn in the master's own pen-and-ink style, could pass for the real thing. At 7,000 francs, this is one of the most expensive works on view. Another of the top price-tags (6,000 francs) is on a

conventionally pretty, 19th-century landscape by Prosper Mérimée (who wrote, in 1845, the work on which Bizet's "Carmen" is based).

There are four works by Max Jacob, whose protean career ended in a Nazi concentration camp in 1944. There is one by Maurice Maeterlinck, actually a letter, entwined with marginal sketches, and signed with a pseudonym: Joseph Prunier. Proust is represented by a letter to his great friend Reynaldo Hahn, containing drawings of two pairs of statuesque angels, which he had discovered while visiting churches in Lyons and Leon. One angel in each couple is labeled "R.H." (Price: 5,000 francs).

Among the most striking drawings in the show are five by Sacha Guitry, the brilliant, Russian-born actor and boulevard playwright, who died in 1957. One of them, a series of cartoon figures done in 1904, anticipates the work of another literary figure who doubled at the drawing board: Thurber. Anna de Noailles (1876-1933), a distinguished poetess and a charter member of the French circle, is represented by one of the few oils in the show—an impressionistic still life of blue and violet flowers in a vase.

The Henry Miller offering, a sketch dated 1957, owes something stylistically to Picasso and probably to Cocteau. It's a stunning figure surrounded by scribbled designs and priced at 2,000 francs. Among the more strikingly surreal is an illuminated letter by Wilhelm Apollinaire de Kostrowitzky, the French poet and anarchist spirit best known as Apollinaire. (The letter is dated



Work by Jean Cocteau in writer-artist show.

Aug. 8, 1915: Having joined the French Army with the first volunteers, he was gravely wounded, invalided home, he caught flu in the 1918 epidemic, and died two days before the Armistice.)

Prévert Collage

The exhibition includes two works by the poet and film scenarist Jacques Prévert (whose credits include the 1944 classic "Les Enfants du Paradis"). The more bizarre of these proves, on close inspection, to be a collage:

A medieval figure sits at a table counting gold coins. Watching him through a window is a naked girl (a pasted-on Playboy-type photo of a blonde). She stands below a Christ figure on the Cross.

Others represented in the show, which will run until Jan. 1, include Jacques Andriotti, Paul Eluard, Jules Laforgue, and Pierre Mac Orlan. No Blake there, perhaps, but except for one or two doodlers, all of them seem at home on a gallery wall.

DINING OUT:

Best 'Mom-and-Pop' Restaurant in Italy

By William Tuohy

CAMBESIO, Italy.—The good life, as well as those in other European countries, are becoming the decline of the mom-and-pop restaurant—the small, family-operated trattoria, run with dedication to good cooking, rising prices and falling standards are eroding what was

once the single-family basis of many European restaurants.

In the midst of such culinary decline, a restaurant in this tiny town in the Po Valley is the finest mom-and-pop restaurant in Italy—one that ranks with the half-dozen best establishments in the country.

Giuseppe Cantarelli's trattoria,

with its faded umber walls, looks like a musty country grocery store—which it is, also. But behind the sausages and cheeses and pasta in the grocery are two small bar rooms, with a dozen tables.

It is a hard place to find—but the choosy inspectors of the renowned Michelin Guide have tracked down Cantarelli's and awarded the restaurant two stars. No restaurant in Italy has ever received Michelin's top three-star rating, and only a dozen eating places have two stars, and they include the fanciest places in Venice, Milan, Turin, Genoa and Florence.

Over a glass of very old Cognac, Giuseppe Cantarelli, 55, likes to chat about his place and his philosophy of running a restaurant.

"Originally," he says, "my mother inherited a small grocery store where farmers stopped by for a drink while gathering acorns for the pigs. First we served the customers some snacks, with the drinks, and after World War II, we began cooking hot meals."

"My wife, Mirella, was only 18,

'Obstruction to Commerce'
Music to Be Licensed
In New Orleans Streets

By Roy Reed

NEW ORLEANS (HT).—Playing music in the street has become an obstruction to commerce here. It will be licensed and regulated early next year.

An ordinance that the City Council is expected to enact in January will require musicians to go to City Hall and get a permit if they want to play in the street. The cost of the permit has not been decided. Officials are thinking of \$25.

The permit will allow the musician to play at a specified place, such as the corner of Basin and St. Louis Streets, for no longer than 30 minutes. The musician may then move to another place and play 30 minutes there. And he will be permitted to place an open instrument case on the ground for listeners to put money in.

City Attorney Blake Arata said licensing had become necessary because street bands were drawing crowds so large that shop entrances in the French Quarter were being blocked. He also said some of the bands were so loud that they interfered with business in the stores.

"An eight-piece Dixieland band is quite loud, you know," Arata added.

An Arrest

A controversy over street music came to a climax on Nov. 26, when the city's trumpet-playing coroner, Dr. Frank Minyard, was arrested with a band playing music on the street. Apparently to force the issue, he had joined a group of friends with the French Market Jazz Band shortly before they were arrested on Royal Street.

The city has no law prohibiting

music on the street. Indeed, one of the oldest customs here is street music. Dead musicians are frequently accompanied to the cemetery by jazz bands and street dancers. And impromptu parades are sometimes held when musicians and their listeners surrender to their impulse to walk down the middle of a street, strutting and jiving.

A newcomer here a few years ago was astonished on his first trip downtown to find Canal Street blocked by a Dixieland marching band and several hundred persons making their way toward the Mississippi River, with considerable merriment.

However, the city has laws prohibiting begging and disorderly conduct. It was those laws that a group of antique-store owners on Royal Street, who do a serious business in relics of the city's past, invoked against Minyard and the French Market Jazz Band. The musicians had placed a hat on the ground to collect coins (begging) and they were making a loud noise (disorderly conduct).

It has become clear now that no one expected Minyard and his friends to be fined or sent to jail. Their trial has been postponed indefinitely. Meanwhile, as a result of his publicized arrest, city officials, merchants and professional musicians have met and agreed on a draft of the proposed new music ordinance.

Minyard said recently that he had flouted the law to help revive jazz in New Orleans.

"People come here to New Orleans to hear jazz," he said. "They are starving for it." Nevertheless, he said, he sees a need to regulate musicians. Not only do the merchants have a problem, he added, but many visitors and townspeople are also offended by the behavior of some "transient" street musicians.

Transients

Some New Orleans residents suspect that the "transients" are a major target of the proposed new law. These often are long-haired youngsters, not all from out of town, who pick up bits of change by playing the guitar or the harmonica on French Quarter streets.

Minyard was asked what would have happened if the city had cracked down on street music during the early 1960s, when Louis Armstrong was growing up here.

"We might not have jazz music, man," he replied.

Richard Allen, curator of the Archive of New Orleans Jazz and a friend of many aging musicians here, tells of a conversation he once had with a public-relations official of the New Orleans Chamber of Commerce.

He said he asked the official why the chamber opposed music in the streets. "He said it would block traffic," Allen recalled.

Allen cited a passage from "Satchmo," Armstrong's autobiography, in which the late musician wrote of singing for money on the streets of New Orleans when he was a child.

"First," Armstrong wrote, "I must explain how our quartet used to do its hustling so as to attract an audience. We began by walking down Rampart Street between Perdido and Gravier. The lead singer and the tenor (he was the tenor) walked together in the front, followed by the baritone and bass."

"Singing at random, we wandered through the streets until someone called to us to sing a few songs. Afterwards, we would pass our hats and at the end of the night we would divvy up. Most of the time we would draw down a nice taste. Then I would make a beeline for home and dump my share into Mama's lap."

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Imperial Iran

Iran is not becoming the principal imperial power of the Mideast. It already is. Iran has some 2,000 soldiers in Oman, which commands the southern shore of the mouth of the Persian Gulf, supporting the sultan against Communist-backed insurgents. It actively supports the Kurdish insurgents fighting against the Ba'athist regime in Iraq; Iraqis claim that Iranian warplanes recently downed two of their jets over Iraqi territory. Intermittently, the Shah has been prosecuting a hot border war with Iraq; the two countries differ on where to draw the line in the Shatt al Arab estuary between them. Meanwhile, there is a flurry of reports that the Shah, whose forthcoming trip to Cairo will be his first state visit to an Arab capital, intends to offer Egypt a billion dollars in economic aid and certain "defensive" military aid as well. A non-Arab Moslem who heretofore has kept up relations with Israel while staying clear of the Arab-Israeli dispute, the Shah has just declared, in a major if cryptic change of emphasis, that the next round of Arab-Israeli fighting will be "our war."

Two things make possible this growing use and projection of military power beyond its borders by a leadership that professes to be chiefly interested in bringing a better life to its 30 million, mostly impoverished citizens. The first is, of course, Iran's price-swollen oil revenues, which far exceed the absorptive capacity of its economy. The second is American arms, which are being made available for sale by a cash-dazzled American government at a recent rate of \$3.5 billion a year. This is what has enabled the Shah to proclaim his country to be "guarantor and protector" not only of the whole Gulf region's oil riches but of the Gulf's "stability," too. On this basis he is propping up the conservative sultan of Oman, contesting the Soviet-backed Ba'athist regime in Iraq, and contemplating who knows what other

interventions he may find necessary in the fragmented and troubled Gulf.

Is it really in the United States' best interests to be supporting what can only be described as Iranian imperialism? Perhaps so. The United States had cultivated Iran as a regional power to counter radical and Soviet influence on the one hand and to offset Arab strength on the other, and perhaps Washington cannot fairly complain now if Iran decides to throw its new weight around for ends of its own. Iran is a country—not the first—which may have been pliant and dependent once but which has become progressively less so as its own power has grown. The Iranians are, for instance, foremost among those members of the oil cartel who—over American objections—drove up the price of oil. Some "client."

It is a curious fact of Washington life that the much-abused foreign aid bill provides the chief means by which the Congress and public can scrutinize executive-branch policy toward a particular country. Iran, being in recent years a cash buyer of American arms rather than a recipient of aid, has stood largely outside this process of congressional policy review. But this may be changing. In the aid bill which the Congress passed before adjournment, a provision was added requiring the administration to inform Congress 30 days in advance of each arms sale contract worth \$25 million or more; the Congress would have 30 days to prohibit the sale if it chose. There is no magic in any new device for legislative review. This one could work out in various ways. But whether the next Congress will manage to make effective use of the provision to elicit and examine the details of administration policy toward Iran—and, for that matter, toward other oil-rich countries such as Saudi Arabia and Kuwait which buy American arms on a big scale—will be particularly interesting to see.

THE WASHINGTON POST.

Mideast: Danger...

At a time when President Ford and others are voicing increasing concern about the threat of a new war in the Middle East, the virtues of compromise and negotiation are losing their luster for the peoples of the region. From both sides come disturbing arguments that their respective interests might be better served by a new test of arms. Anyone in the Middle East or far away who can face such a prospect with equanimity simply has not thought out the implications.

From the Arab side, a long-standing impatience at the small pace of the diplomatic option in restoring lands conquered in 1967 is now reinforced by sudden wealth, by an unaccustomed economic power over the entire industrial world.

For the first time, the Arabs find no economic restraints to the buildup of their armed forces, nor do they have to anticipate difficulty finding nations—including France, the Soviet Union and the United States—willing to sell them whatever armaments they need. For some of the arms-selling nations, such sales provide tempting—if shortsighted and modest—relief for the deficits from necessary oil purchases.

Among Israelis, confidence in military

prossess seems to be reviving after the trauma of the October war of 1973. The argument is heard that another lightning Israeli assault against Arab military installations is a practical option and, contrary to all experience, would this time provoke the Arabs into serious bargaining.

Such views are deeply alarming. Although the United States and the Soviet Union obviously share a basic interest in avoiding direct confrontation in the Middle East, it would be a risky proposition to suppose that the two superpowers could remain aloof once combat began.

Perhaps Israeli strategists are correct in their confidence about their military capabilities, but perhaps they are not. This possibility is too ominous to ignore. The calculated vagueness of the American readiness to stand at Israel's side in war may be raising unjustified expectations of open-ended support no matter what policies are adopted in Tel Aviv, no matter how narrowly Israeli interests are defined to the exclusion of those of other nations. Similarly, the Arabs' newly discovered reliance on their own wealth—and on the military strength and support they believe they can extract from it—could lead to a disastrous adventurism.

...And Opportunity

Beyond the mechanics into which the diplomacy of Middle East mediation has so bogged down, a salient political fact has emerged from the whirlwind of Palestinian debate at the United Nations. This is that no outside power, not the Soviet Union, not the most pro-Arab of Western European nations, is ready to go along with the extreme Palestinian position of challenging the legitimacy of Israel's existence.

Foreign leaders whom the Arabs regard as sympathetic have made the point directly. It is not unrealistic to expect the Soviet party leader, Leonid I. Brezhnev, to underline this position when he visits Cairo next month. There are clear signs that Egypt's President Sadat has already come around to accepting the desirability of coexistence with Israel.

Far from being hopelessly isolated, therefore, as the Israelis saw themselves after the Palestine Liberation Organization's propaganda triumphs, there is an impressive body of world support for Israel's right to survive as an independent nation-state alongside the Arabs, including the Palestinians.

The urgent need of creative peacemaking now is to translate this political reality into specific diplomatic undertakings. Israel has every right to insist on strict guarantees of

her future frontiers, from the United States, the Soviet Union and perhaps other countries as well. There is every reason to think that such guarantees could be forthcoming and made meaningful, in the context of a negotiated withdrawal and military disengagement.

Israel's leaders are in apparent disagreement among themselves about how best to insure their country's survival. For many it seems the line of least resistance to maintain the traditional view that occupation of enemy territory is their best guarantee, an assessment rendered increasingly obsolete as the Arabs build up their arsenals of long-range weaponry, and as the crushing economic demands of preparedness threaten the country from within.

It may now be within the United States' power to encourage a contrary view in Israel. This could not be done by any pressure tactics or attempts at imposing a settlement that neither Arabs nor Israelis want, but rather by offering an alternative form of military and economic security—more far-reaching and stable, more responsive to the real interests of all the parties of the Middle East and the world beyond.

THE NEW YORK TIMES.

In the International Edition

Seventy-Five Years Ago

December 31, 1899

PARIS—News of a new serum to cure alcoholism was announced here today. The result of a joint effort by Drs. Sappellier and Thébault, in conjunction with M. Broca, a Paris chemist, is causing a considerable sensation in Paris. Briefly the curative serum is extracted from the blood of a horse which has previously been alcoholized. Injections of the serum are said to produce feelings of disgust and repugnance for alcoholic liquors.

Fifty Years Ago

December 31, 1924

NEW YORK—A dozen Coast Guard vessels plus two destroyers are forming a blockade around twenty vessels off Rum Row off Seagirt, New York Harbor, in an effort to prevent the landing of thousands of cases of liquors and Scotch whisky for New Year's celebrations. The retail value of the cargoes is estimated at \$2,000,000. Whisky per case on board ship \$28; on shore \$36. Wholesalers in New York are charged \$59. The retail price per case (12 bottles) is \$75.



'And Now for a Look at the Crystal Ball—As Soon as I Can Find It.'

Thinking the Unthinkable

By Anthony Lewis

BOSTON—The gravest development of the year 1974, it would now be generally agreed, was the exercise of monopoly power by the oil-exporting countries. As the year ends, many weighty voices warn that the quadrupling of oil prices threatens a world economic collapse. Some speak of Western civilization being at risk.

If the possibilities are so grim, why is there no meaningful threat to change the situation by force? This disturbingly simple question is posed in a paper that seems likely to have wide reverberations. It is by Robert W. Tucker, professor of international relations at Johns Hopkins University; it will be published in the January issue of *Commentary*.

Tucker puts forward the idea of an American military operation in the Persian Gulf, and coolly discusses its pros and cons. His paper is the more interesting because he is known as an advocate of reduced U.S. commitments abroad.

Traditionally, Tucker says, the very meaning of "realism" is the

strong action short of war in defense of real interests.

For the "astounding" thing about U.S. reaction to the oil-price crisis, to use Prof. Tucker's adjective, is that we have done almost nothing serious of a political or economic nature. At home, two presidents have wasted a year refusing to inconvenience the voters; in the face of overwhelming evidence of the need to cut back hard on energy use, we go on with the habit of getting by on the habit of getting by. Abroad, we compete to sell billions in the newest weapons to the Persian Gulf states, arming those who, we say, are on the way to destroying us.

To the extent that the Tucker paper enlarges understanding of what is at stake, it will have served a valuable purpose. To the extent that it paints American military intervention as a clean, quick way out of the oil crisis, I think it will have been unfortunate.

Experience makes it wise to be more doubtful than Tucker about U.S. military effectiveness, more cautious about the risk of Soviet

response, more concerned about nationalist reprisals. One must be especially skeptical at the vision of the United States nobly administering oil sales to the world's benefit.

Beyond those practical considerations there is the question of morality—or, rather, of reason. Is it rational to undertake war and all its possible consequences in order to bring the price of oil down from \$10 to \$2? That can be argued only if the difference means disaster. But we know now that the supply of oil is limited and that growing demand would probably push prices up before long in any event.

The cartel has put us under extreme short-run pressures that must be met by diplomatic and economic action. But in the long run, and not very long, we are going to have to adjust to the reality of scarcer and more expensive energy. Far from encouraging that adjustment, dreams of gunboat diplomacy will foster the dangerous illusion that the post-war phenomenon of linear growth based on cheap energy can go on forever.

Letters

'Image of Man'

Mr. Markley's analysis and conclusions in the article "Examining a New Image of Man" in the Dec. 23 issue of your paper seem excellently stated. Their conciseness fits their journalistic purpose, but does not obscure the fact that they are the product of profound insight. Indeed, the author has succeeded in summing up succinctly the principal dangers and problems besetting man in this epoch of history, and in pointing to solutions—perhaps the only possible ones—that result from facing straightforwardly the breakdown of the "old" and the rise of a "new image of man."

I would like to add two remarks: one extending Mr. Markley's own statement in a direction which it seems necessary to call to mind, the other somewhat critical.

First, the whole position mapped out by the author as the successor model to our present-day way of thinking and acting shows, at least in parts, close relationship to thought and attitudes that have long dominated in the East, especially in China and India. Remembering that spiritual bond may be helpful in building and broadening East-West understanding, which is limited today, but will be one of the indispensable ingredients of a future world order.

My critical turn happens to aim in a parallel direction: Mr. Markley appears to confine his views to "the American experiment with democracy." This would neglect the fact that the basic problems touched by the author concern the whole fabric of what we are used to call "Western civilization" so that the writer's conclusions are applicable to Europe as much as to the United States, and anywhere as well where "the industrial era" has created similar conditions of life. That is to say their validity is world-wide.

HENRY F. JORDAN
Freiburg, West Germany.

Arabs and Israel

The Arab states claim they wage war against Israel because of two problems; The Palestinian

refugees and Israeli territorial gains, so why did they attack Israel in 1948 when there were no Palestinian refugees or Israeli territorial gains? Why did Egypt in 1957 order the United Nations forces away in 1957 when there were no territorial gains?

The Arab states wage war not because of these two problems, their aim is as it has always been since Biblical times, to drive the Jews into the sea. Did Hitler murder the Jews because of refugees or Palestinian refugees? Since when does the world need an excuse to murder Jews?

BRUSSELS. AVZ.

Papacy and Jews

I've read considerable criticism of the papacy's lack of constructive action in the face of the events leading to the genocide of the Jews by the Nazis. Nevertheless, I felt there was room for doubt. Now we learn that the Vatican granted an audience to the PLO. We were assured that this "did not constitute recognition."

There is room for doubt no longer. The Vatican has honored and strengthened the murderers of innocents by tacit recognition. Coming after similar action by the Arab states and the UN, this action shows that the Vatican is as sensitive now to the way political winds blow as it was in the 1930s. It must have been an easy decision to make. But will the soul of mankind be saved by easy decisions?

ROBERT GREENGARD,
Holon, Israel.

Fuel Savings

What process of logic encourages our unselected President to suggest that American taxpayers voluntarily make sacrifices in the conservation of fuel (reducing house heating, car pools, and the like) in the face of his use of Air Force 1 for personal transport for himself and family on a skiing vacation at Vail, Colorado?

He can't be serious.
J. W. THOMAS,
Chenai, Belgium.

Looking for Peace In the Middle East

By Marilyn Berger

WASHINGTON—With the danger of war in the Middle East increasing, Richard Ullman, director of studies at the U.S. Council on Foreign Relations and professor of international law at Princeton University, has called for "an absolutely unambiguous American commitment to Israel—one perhaps including the stationing of contingents of American forces to prevent a potentially 'catastrophic' new round of fighting."

At the same time, former U.S. Under Secretary of State George Ball writes in the current issue of the *Atlantic* magazine that "before the Middle East once more goes up in flames we had better...test an assumption implicit in all our talk about detente—that the Soviets really would like to see a stable Middle East, provided they could play a part in bringing it about."

Ball calls on the Soviet Union to join the United States "in developing a settlement of the Arab-Israeli issue" and in guaranteeing that settlement, possibly with joint Soviet-American patrols of the buffer areas.

Both Ullman and Ball pronounced as finished Secretary of State Henry Kissinger's unilateral efforts to end the parties toward a settlement in stages. The Arab summit at Rabat, which strengthened the role of the Palestine Liberation Organization, and the shift of huge sums of money and, therefore, arms purchasing power to the oil-rich states, Ullman writes, "probably spelled the failure of... Kissinger's attempts thus far to bring about a Middle Eastern peace."

Ullman's and Ball's proposals are part of a growing debate about what to do to avert any new round of fighting in the Middle East. The latest edition of a group of influential businessmen and professors from Europe, North America and Japan, recently called for a joint Soviet-American guarantee as a means of facilitating a Middle East settlement.

Said Ball: "One lesson we should have learned from the experience of past months is that highly personalized diplomacy is effective only in a limited setting; it has limited value in a complex situation involving many countries. Thus the attempt to settle the Arab-Israeli issue by shutting out both the more activist Arab states and the Soviet Union was predestined to failure."

The implicit assumption of the various formulas being suggested is that Israel would be required to return to its 1967 frontiers, with only slight modifications.

This remains unacceptable to Israel and Kissinger is understood to feel that if the United States were ready to press for a full Israeli pullback there would be no need for Soviet cooperation in the process.

In arguing his case for an unambiguous American commitment to Israel—a proposal made several years ago by Sen. William Fulbright—Ullman writes that "since the United States finds it politically impossible to wash its hands of Israel, an overt and explicit commitment to Israel's defense—indeed, even the stationing of U.S. military contingents in Israel—remains the most logical choice for those who would prevent a new war."

"The United States," he writes, "more than any other single actor in the Middle East drama, is capable of deterring future Arab attacks upon Israel, of preventing pre-emptive war on the part of the Israelis, and of moving the Israelis along more conciliatory paths that will help lay the foundation for a long-term settlement."

Israel has shown no enthusiasm for a U.S. guarantee if it is meant as a substitute for a peace treaty that establishes "secure and recognized" boundaries. And U.S. officials have expressed concern that such a unilateral American guarantee would polarize the region.

Ullman suggests that the cost of such an American role "would not be prohibitive. Indeed," he writes, "it is likely that Arab leaders such as Sadat, Huseini and Fatah would actually welcome such an American commitment (although they could not say so publicly) so long as it were accompanied by Israeli withdrawal. For this might make it possible for them to resist U.S. military appeals for greater military efforts against Israel without being 'plausibly held up as traitors to the Arab cause.'"

Ullman said it would be desirable to have the United States and the Soviet Union join in a collaborative effort. But he says that "unilateral American action would be sufficient to create the conditions necessary to forestall the outbreak of new war."

Ball, on the other hand, does fear that a unilateral U.S. commitment could bring a confrontation with the Soviet Union, for in the event of war the United States would champion the Israeli side. He therefore urges a cooperative approach, with the additional use of the UN Security Council to put flesh on Resolution 242, which contains the outlines of a settlement.

"Whether the Soviet Union would be willing to participate in such a common effort cannot be predicted with assurance," he writes, "but we should certainly try out the proposal."

It was the Russians, Ball writes, who first suggested a combined U.S.-Soviet military intervention during the October 1973 war. A positive response would be a "solid test of the sincerity and significance of detente." What's more, Ball says, "from the Soviet point of view, such a joint operation would provide one more bit of proof that they are a superpower coequal with America—a recognized status they are extremely anxious to achieve."

"...The existence of Soviet elements in a joint buffer patrol would not add much weight to their existing presence," he writes. "Nor would such an arrangement be wholly unprecedented; after all, Soviet-American participation in combined patrols worked successfully in Vienna for many years."

Ball also suggests a formal commitment by the Soviet Union and its allies and the United States to send no more arms into the area, "and that we undertake to persuade our Western European allies to join in that commitment."

Soviet-American cooperation to impose a settlement, possibly through the UN Security Council, would be the fulfillment of Israel's worst fears, for the Israelis contend that an imposed settlement cannot work. But Ball says "the major nations of the world have an obligation not to stand passively by while a new war flames in one of the world's most sensitive and strategic areas."

The Near East Report, a newsletter from an influential Washington-based Jewish lobbying group, denounced Ball's suggestion as "a dangerous proposal." It notes that the Egyptians have been "hoping that the great powers would force Israel to accept a settlement for enough along before drawing Moscow into the negotiations so that the Russians could not sabotage it."

Kissinger's Doubts

Kissinger has expressed great doubt that the Russians can be of any help in getting a settlement so long as they continue to espouse the most radical Arab demands. His plan has been to get a settlement for enough along before drawing Moscow into the negotiations so that the Russians could not sabotage it.

U.S. officials have said that at no time since 1969 have the Russians taken any position other than "100 per cent support of the Arabs." The Soviet notion, U.S. officials say, is for the United States to put pressure on the Israelis. If the United States, U.S. officials say, without help from the Russians.

There is no dispute that the Rabat conference and the oil-price crisis constitute new elements. "Rabat," Ullman writes, "in effect symbolized the ascendancy of the assumption that history belongs to the Arabs and not to their enemies... with the Palestinians playing a newly pivotal role in Israel-Arab politics and with the Arab world as a whole seemingly convinced that oil will turn the tables on Israel. Rabat and its aftermath seem to have made new war much more likely."

Moreover, writes Ullman, the fourfold increase in oil prices "has removed all constraints from Arab armament efforts."

Ball, who in June 1973 predicted an Arab oil embargo in the event of a Middle East war four months before the October war actually started, said that a new war "would immediately and automatically precipitate another oil embargo and this time it might be far more severe than the last occasion."

U.S. officials, too, have repeatedly expressed concern that unless the momentum of the negotiations is revived, war could come soon, possibly by spring.

These officials, and chief among them Kissinger himself, continue to believe that the step-by-step approach, with the indefinite postponement of the Geneva conference, is still viable.

A growing number of specialists outside the confines of official power are expressing doubts.

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PARIS, TUESDAY, DECEMBER 31, 1974

Page 7

Gold Climbs To a Record, Then Retreats

Anticipated U.S. Entry Creates Uncertainty

By Terry Robards

LONDON, Dec. 30 (Reuters).—Speculative buying in gold continued today on the European market, pushing the metal's price toward the \$200 level in advance of the American entry into the market tomorrow.

The price at the morning fixing in London climbed to a record of \$197.50, up from \$195.50 the previous day. The price then retreated to \$195.25 at the 3 p.m. fixing and to \$195.00 at the close.

Dealers said the afternoon decline may have reflected doubts over the potential impact of the American presence. A 41-year-old ban on gold ownership by U.S. citizens will be lifted tomorrow.

Gold has risen sharply in recent months due to widespread speculation that U.S. investors would make heavy purchases, thereby lifting the traditional supply-demand balance for the metal.

Since early October, when the metal traded as low as \$153.50, the price has risen more than 40 percent. In the last year, the price has roughly doubled, making gold one of the few successful investments during a period of worldwide economic turbulence.

In Paris today the metal traded briefly above \$200 an ounce, before settling back. The French market normally involves a premium over other European bullion markets, because it is strictly internal and does not reflect international supply or demand.

Dealers in London and Zurich, the two principal centers for international bullion dealings, expressed reluctance today to predict how the market would react tomorrow. But they noted that the afternoon dip in the price may have provided an indication.

"There was no obvious news item which affected it," said one dealer in London. "Just why the price took place, I really don't know. But remember, you've got to be prepared for a possible adverse impact on the nation's balance of payments."

Another uncertainty cited here was the approaching sale on Jan. 6 of two million ounces of the metal by the U.S. General Services Administration. The sale is aimed at soaking up domestic demand that U.S. investors will not be able to buy from foreign holders, with a possible adverse impact on the nation's balance of payments.

"With the GSA auction hanging over the market, who knows what'll happen?" said a dealer at M. Rothschild, one of the major firms involved in the market.

"But people have known about this for some time and the price has continued to hold."

Another dealer said it was likely that speculators would operate with extreme caution between now and the auction because of the difficulty involved in forecasting its potential impact.

A gold expert at a major Swiss bank said: "If the expected rush to gold by the American public is not materialized, professionals will get out fast, causing havoc in the market."

Some dealers noted that confidence apparently existed about the entry of the American entry. Many European investors, including some of the professionals had assumed that the ban on U.S. ownership would be lifted at midnight on Jan. 1.

Fourcade Sees Stable Price

PARIS, Dec. 30 (Reuters).—The French Finance Minister Jean-Pierre Fourcade said today that the price of gold could be expected to stabilize at around \$200 an ounce.

The minister, in an interview with the magazine "Expansion," said that France's gold reserves would be valued at between \$150 and \$180 an ounce when the revaluation was completed.

New York Dealers Comment

NEW YORK, Dec. 30 (AP-DJ).—Bullion dealers here state that large volume of gold is changing hands in preparation for free sale that will be allowed to start tomorrow.

An official at Moccatta Metals Corp. said that after the official London fixing, gold was traded as low as \$189 an ounce before bouncing back to \$192.

Bullion dealers here also understand that at least two of the top handlers of precious metals abroad are shipping gold for public sale here. Private sources estimate the volume in the last few days at upwards of \$20 million.

Aston Martin Goes Bust For Lack of £600,000

LONDON, Dec. 30 (Reuters).—Aston Martin, for over 60 years a maker of some of the world's most exciting sports cars, has gone bust because the government refused to come to their aid, workers were told today.

The car firm's managing director, Charles Warden, told an emotion-charged meeting of 500 workers that liquidation was the only honorable course left open to the board of directors.

"Nobody can understand the attitude of the government. We should allow a company like Aston Martin, a national heritage and part of our way of life, to fail. God only knows," he said.

Liquidation was announced late yesterday. Most of the company's work force arrived for the morning shift to find the factory gates locked.

The news came as another severe blow to Britain's ailing motor industry and followed a statement yesterday by Prime Minister Wilson that unemployment will be the nation's biggest problem in 1975.

Only three weeks ago British Leyland, the country's biggest car manufacturer, was rescued from the edge of financial ruin by an injection of £50 million of government funds.

Aston Martin had asked for just £300,000 to help carry it over a temporary crisis and the government agreed to provide the money if the company complied with eight conditions.

Aston Martin readily agreed to seven of the conditions, all technicalities, but was unable to comply with one—a guarantee from its U.S. distributors to continue marketing the cars in North America.

Industry sources said today the distributors felt unable to pledge continued cooperation, despite the fact that demand for the cars had increased there recently by 30 percent and about 200 cars a year could be sold at \$30,000 each.

The Department of Trade and Industry said tonight that it had decided to reject Aston Martin's request for aid because "the business did not hold out sufficient prospect of viability to warrant the assistance requested."

Trade and Industry Minister Tony Benn was the target of a raging attack today from Aston Martin's chairman, William Wilson.

"I don't think Mr. Benn really understands the problems of industry. Half a million pounds would have kept us alive, but the government would not loan it to us. It is ridiculous," he said.

The National Machine Tool Builders' Association blamed the general economic slowdown for the decline in the industry's new order rate.

Total new orders for metal-forming machine tools added \$21.9 million to the metal-forming backlog.

But it said unusually large cancellations—mostly from auto firms—during the month reduced the backlog itself by \$33.2 million.

For the industry as a whole, total orders for the first 11 months of the year were 2 percent above the total for the year-ago period.

Machine tool orders from overseas were running 27 percent higher in the first 11 months.

Shipments of new machine tools totaled \$179.3 million in November compared with the October level of \$191.85 million. The November figure was 40 percent higher than the 1973 month.

At the current industry shipment rate, the current backlog of \$2.89 billion represented about 15 months' production.

Japanese Workers Buy Copper to Help Firm

TOKYO, Dec. 30 (AP).—A Japanese copper smelting company hurt by economic recession has sold 4,200 tons of pure copper ingots to its employees and their relatives to help ease its financial difficulties.

Mitsubishi Metal Corp. said a total of 1.6 million yen (about \$5.3 million) was absorbed from year-end bonuses paid to its employees and that its copper inventory was reduced by 10 percent.

The purchasers can sell the ingots to the company at market prices between June 1, 1975, and Dec. 30, 1975.

Tool Orders Drop in U.S.

WASHINGTON, Dec. 30 (Reuters).—U.S. machine-tool orders last month fell to \$79.7 million, down 63 percent from October and 68 percent below the year-ago month.

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Empain, De Wendel Join Forces

The Empain-Schneider and De Wendel groups have decided to join forces to control France's Marine firm and through it the nuclear specialist Sté. Crenco-Lorraine. Empain-Schneider, controlled by Baron Empain of Belgium, and the De Wendel steel group together hold more than half of Marine's stock. The two groups propose both to unify and reinforce the Lorraine steel industry. De Wendel's main interest, and to develop a powerful nuclear industry through Marine. The two groups have decided to jointly study, within the framework of French and EEC regulations, means of helping Marine and Crenco-Lorraine continue their expansion. They have agreed to set up a major "diversified but homogeneous" holding company to ensure the development of a powerful nuclear power group. To get French government approval, the new holding would be controlled by the De Wendel group. The government has consistently refused to allow foreign interests to control Crenco-Lorraine, France's biggest maker of nuclear power stations. The decision to seek a joint solution follows suspension of a public bid for Marine by Denain Nord-Est Longwy at the request of the EEC Commission in Brussels. The EEC last week ordered De Wendel and Denain to stop buying further shares in Marine.

Westinghouse Sells Appliance Unit

Westinghouse Electric Corp. has agreed to sell its entire major appliance business, which has

had recurring losses in recent years, to White Consolidated Industries for a combination of cash and securities. Both firms declined to put a value on the transaction. Westinghouse says the sale will result in its recording a one-time special charge of \$50 million that will be included in its fourth-quarter results. White is buying five U.S. manufacturing plants and expects to buy Westinghouse appliance operations in Canada and Spain, Italy and Venezuela, if those countries approve. Westinghouse's major appliance business currently accounts for about \$600 million in annual sales. White Consolidated is already a large producer of major appliances, with sales in that area of about \$500 million a year. The Justice Department's anti-trust division says it is investigating the proposal.

Telefunken Renounces Take-Over

AEG Telefunken of West Germany has renounced its intention to assume control of Sté. Emo, a small French color television manufacturer. The French firm reports it has dismissed 370 of 700 workers in light of Telefunken's decision. According to an agreement signed last October, Telefunken was to take control of Emo from Sté. Emo's main, effective Jan. 1. Emo, while not specifying why the German firm was cancelling the agreement, says the general economic downturn as well as the company's "particular" difficulties necessitate the reduction in its work force. Emo produces about 35,000 televisions sets annually.

Experts Agree U.S. Needs a Tax Break

By Soma S. Golden

SAN FRANCISCO, Dec. 30 (UPI).—The nation's leading economists—partly out of conviction, partly out of exasperation—seem agreed that a major tax cut at the federal level is needed to put a floor under the plummeting economy and to help stimulate a new burst of economic activity next year. The Ford administration is currently weighing such an alternative.

Though the analysts disagree about the size and nature of the tax cut, most of the country's leading academic and research economists questioned at the professional annual convention here last weekend said they favor a speedy move toward further federal stimulus. Their proposals range from tax cuts of \$10 billion to \$35 billion, with the main beneficiaries being consumers at the lower end of the income distribution who have been hit hardest by the double blow of inflation and recession. Most analysts want to see the tax cut come in the form of a reduction in withholding taxes.

But some would approve a cut in social security taxes. About half the analysts surveyed would also lower business taxes by boosting the investment tax credit. The rest thought continued easing of monetary policy by the Federal Reserve Board, along with a boost in consumer demand, would be enough to bounce business out of its doldrums in 1975. Although many well-known economists—particularly veterans of policy-making in Washington—seemed quite willing to proffer prescriptions for the Ford administration to follow, others of the 5,000 economists attending this year's meeting of the American Economic Association were much more comfortable keeping their silence.

Walter Heller, outgoing president of the American Economic Association, the profession's leading fraternity, wants a \$15-billion to \$20-billion tax cut to help consumers and a 10-percent investment tax credit to spur business activity. That recommendation by Mr. Heller, who served as chairman of the Council of Economic Advisers under both Presidents Kennedy and Johnson, is roughly middle ground among the economists interviewed in the past few days here.

At one extreme is Yale University Prof. James Tobin, a former member of Mr. Heller's Council of Economic Advisers, who is frustrated and angry that the government has allowed the economy to recede for so long. He wants to see \$30 billion to \$35 billion pumped into the economy immediately through a tax cut for individuals, with nothing for business beyond a loosening of monetary policy.

At the other extreme of the tax-cutting spectrum is Republican economist Murray Weidenbaum, a former Treasury Department official, who calls for a boost in the investment tax credit for business to 10 percent along with another \$7 billion or so of tax breaks for the poorest taxpayers.

"No one should be pushed be-

Late Flurry Lifts Index In Busy NYSE Trading

NEW YORK, Dec. 31 (UPI).—Prices on the New York Stock Exchange, lower until the closing minutes of the session, finished mixed in moderately active trading today.

Analysts said conflicting forces of year-end tax selling and bargain hunting just about canceled each other out.

One analyst noted that a number of investors seemed to be buying in anticipation of a market upturn in the new year.

The Dow Jones industrial average, off three points at one time, closed up 1.09 at 603.25. But declining issues led advances nine-to-five.

Volume totaled 18.52 million shares, up from 13.06 million Friday.

Among declining issues, Superior Oil lost 1 to 172, Celanese 1 to 28 1/2 and Allied Chemical 1 1/4 to 28.

IBM gained 2 to 164 1/4. American Water Works 1 1/4 to 7 7/8 and Du Pont 1 1/4 to 81 3/4.

Actively-traded Westinghouse picked up 1 1/8 at 5 1/2. White Consolidated, to whom Westinghouse is selling its appliance business, added \$4 at 8 3/4.

Most gold stocks ended lower despite record high bullion prices abroad. Some analysts attributed their weakness to the possible "overbought" position of the metal in anticipation of a larger U.S. demand than may actually materialize. ASA Ltd. slid 5 5/8 to 63 1/8. Campbell Red Lake lost 2 3/8 to 29 1/8 and Homestake dropped 3 1/4 to 36 1/2.

Some silver stocks held ground as silver futures here fell the daily limit. Analysts thought speculators sold silver to have funds ready to deal in gold. Hecla Mining fell 1 5/8 to 13 3/4. Sunshine lost 3 8 to 9 1/8 and Rosario gave up 2 1/4 to 30.

Prices on the American Stock Exchange closed lower in moderate trading. The index lost 0.73 to 58.63 and declines led advances 491-to-243.

Carnation dipped 1 1/8 to 56 1/4 and O'Keefe Copper 1 1/2 to 51 1/4.

Bond prices closed on a mixed note in extremely quiet trading. Corporates were marked down considerably, with losses of 1/2

Record Deficit Seen in U.S.

NEW YORK, Dec. 30 (UPI).—The corporate bond market, which already faces a record new-issue calendar of \$3.8 billion in straight debt for January, promises soon to be competing for investor money with the Treasury—which will tap the money market because its budget prospects are deteriorating rapidly.

Its plight is brought into focus by a study prepared by Salomon Brothers, which estimates the budget deficit for the 1975 fiscal year at \$25.3 billion. This would rank as the biggest peacetime budget deficit in the nation's history, exceeding the \$25.1 billion shortfall of 1968. The study states that the financing of the budget deficit during the next six months, or the final half of fiscal 1975, will mean the net issuance of \$12 billion of new marketable securities by the Treasury.

Thus, the government will be seeking a huge amount of new cash in a period when heavy corporate borrowing is also in prospect.

The latest estimate by the Ford administration put the fiscal 1975 deficit at \$13.8 billion in November. More recently, private forecasts have used a deficit figure of around \$20 billion.

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An Open Letter to Our Customers and Associates

from Louis E. Carabini, President, Pacific Coast Coin Exchange

Dear Friends:

I am taking this opportunity to clarify the position of Pacific Coast Coin Exchange with respect to the recent restraining order which we negotiated with the staff of the Securities and Exchange Commission, and to which we consented.

As you may know, PCCCE deals in silver and gold coins, silver bullion, and other precious metals and currencies. Our principal activity, as a retail dealer in silver coins, has grown rapidly in the past few years. The silver coin industry, in its present form is less than ten years old, and we believe we have become the largest such retail dealer in the world.

We have conducted our business in various parts of the United States, and also abroad. We have sought to deal honestly and fairly with our customers, and have consistently attempted to improve our business methods and procedures. We believe we have made sound investment vehicles available to our customers, but have attempted to always advise our customers concerning the risks as well as the advantages afforded by such investments.

Recently, the SEC and several state regulatory agencies have asserted that our sale of silver coins and other commodities, pursuant to deferred payment agreements, constituted the sale of securities, and have further objected to certain of the selling practices utilized in connection with such sales. We strongly disagree with both of these assertions, and have defended our position through counsel in the various jurisdictions. Only in Texas has our position been considered by the courts in a full trial, and the result there was a finding that we do not sell securities within the meanings of the Texas Securities Act and that we did not mislead or omit to disclose any material facts in any way nor deceive any customer. This case is, of course, being appealed by the State of Texas, and cases in certain other jurisdictions are still pending.

The SEC has persisted in its investigation of our industry, and of PCCCE, for nearly a year and a half, during which we have fully cooperated with its staff. After extended discussions with the SEC staff, we concluded it was desirable to negotiate a form of accommodation and consent rather than engage in contested litigation with the SEC, and the negotiated restraining order to which we consented was for such purpose. Our decision was reached for the following reasons:

1. Extended litigation with the government, particularly over highly technical questions such as whether or not a "security" has been sold, is costly and diverts the efforts of our own management from more productive endeavors.
2. Although we continue to disagree with the conclusions of the SEC, we believe that hereafter we will be able

to sell investments in gold and silver coins, silver bullion, other commodities, and soon gold bullion, by methods we have been developing for some time, and which we believe will avoid the objections raised by the SEC and other regulators.

3. We believe that the Commodity Futures Trading Act of 1974, recently enacted by Congress and signed by the President, which will become effective, as to its regulatory aspect, in April 1975, will clarify the traditional distinction between commodities and securities, and will bring a new constructive pattern of uniform regulation to our industry.

We regret that the public comments concerning our company, which occurred with the filing of the SEC's allegations last week, have substantially distorted certain facts and have obscured others. To clarify and correct some of the impressions which may have arisen as a result of what appeared in the media and on television, allow me to assure you of the following:

1. Our company is financially sound and expects to continue to serve investors in the years to come.
2. We are very much "in business"—now and for the future. We continue to deal in the same commodities as in the past, except that for now we are making new sales only on a cash basis. We continue to service our open margin accounts, and expect to announce shortly the completion of our program to reintroduce credit sales on margin, under circumstances which will afford new investor protections and assure the appropriate allocation of commodities to each investor's account.

3. We do not claim to be able to predict price changes in precious metals during any particular period, but we will continue to discuss the economic factors which we believe will have an impact upon price trends. Using our advice and their own evaluation of the commodity markets, many of our customers have made profits in the past, while others have incurred losses. We have sold investments aggregating approximately one billion dollars, but this amount represents neither the profits nor the losses from such investments.

1974 has been our best year ever—both in record sales and record earnings. We owe have over 400 employees, serving investor needs in 17 offices on two continents. We are thankful for this success, and appreciate the investor support which has made it possible.

Thank you for this opportunity to communicate with you. We extend to everyone our good wishes for the holiday season.

Sincerely,
Louis E. Carabini
Louis E. Carabini, President

Pacific Coast Coin Exchange (a division of Monex International GmbH)
Hohlhausenstrasse 14, 6 Frankfurt am Main, West Germany.

GOLD SOARS—NEXT \$200? \$300?

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Yesterday's closing prices in local currencies,

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-By Will Weng

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AMSTERDAM.....	7	43	Cloudy	MILAN.....	12	53	Male
BARCELONA.....	16	43	Cloudy	MOSCOW.....	1	34	Overcast
ATHENS.....	16	61	Cloudy	MUNICH.....	2	36	Male
BRISBANE.....	—	—	Overcast	NEW YORK.....	16	43	Male
BELGRADE.....	8	43	Overcast	PARIS.....	7	48	Cloudy
BIRMINGHAM.....	16	43	Cloudy	PRAGUE.....	16	43	Cloudy
BREITENBURG.....	6	42	Cloudy	ROME.....	10	30	Hazy
BLOOMFIELD.....	1	43	Cloudy	SOFT.....	8	42	Cloudy
BUDAPEST.....	16	43	Cloudy	ST. LOUIS.....	16	43	Cloudy
CASABLANCA.....	19	66	Cloudy	TEHRAN.....	2	36	Male
COPENHAGEN.....	2	36	Cloudy	TEL AVIV.....	13	66	Cloudy
COSTA MESA.....	16	43	Cloudy	TOULOUSE.....	16	43	Cloudy
DUBLIN.....	43	43	Overcast	VENICE.....	10	60	Cloudy
DUNBURG.....	5	41	Cloudy	VIENNA.....	6	42	Cloudy
EL PASO.....	16	43	Cloudy	WASHINGTON.....	16	61	Male
FRANKFURT.....	42	43	Cloudy	ZAGREB.....	4	39	Cloudy
GENEVA.....	5	41	Cloudy				
GLASGOW.....	16	43	Cloudy				
HAMPSHIRE.....	12	50	Cloudy				
HAIN PALMAS.....	16	66	Cloudy				
LISBON.....	43	38	Male				
LONDON.....	16	43	Cloudy				
LOS ANGELES.....	5	46	Male				

(Friedlander's readings; U.S.A. Canada
 at 1700 GMT. others at 1200 GMT.)

[illegible]

PEANUTS

HAPPY NEW YEAR!

CHIRP CHIRP

HAPPY NEW YEAR TO ALL!

CHIRP CHIRP

Z

CHIRP CHIRP

PANEL 1: A man in a winter coat and hat says "SURPRISE!" to a woman in a winter coat and hat who asks "WHAT IS IT?".

PANEL 2: The man says "WE'RE HAVING A 'COME AS YOU ARE' NEW YEAR'S PARTY!".

PANEL 3: The man says "NO KIDDING!" to the woman.

PANEL 4: The man is being carried away by a stretcher, and the woman says "ALL RIGHT...WHO LEAKED THE NEWS?".

BLONDIE! BLONDIE! WE'LL BE LATE TO THE PARTY

DAGWOOD BUMSTEAD, YOU KNOW IT TAKES WOMEN LONGER TO GET READY THAN MEN!

WELL, THEN, PLEASE, PLEASE—WHY DON'T YOU START SOONER?

OH, DAGWOOD, YOU TAKE ALL THE FUN OUT OF BEING LATE

DICK CROCKETT

THE CHOW HALL? AT 10 A.M.?

JUST ONE CUP OF BLACK COFFEE. ONE SIR! WORD OF HONOR!

HINA, SARGE

BEETLE! PUT THAT STUFF DOWN AND COME HERE A MINUTE!

SOME WORD OF HONOR

© Doug Farnes Syndicate, Inc. 1974

12-31

ONE THING NICE ABOUT THE SNOW... WE DON'T HAVE TO WORRY ABOUT THE HUNS ATTACKING.

YOU'RE NOT GOING TO BELIEVE THIS...

SORRY I'M LATE BACK, PET - I MET ALICETOMKIN AT BINGO AN' SHE ASKED ME 'OME FOR A DRINK

OH, YEE-?

NOW WATCH YOUR MOUTH--

YOU CAN SAY WHAT YOU LIKE ABOUT ME BUT I WON'T LEAR A WORD AGAINST A SWEET GIRL LIKE HER.

YOU LIKE ER, TOO, EH? I MET 'ER IN THE PUB LAST FRIDAY AN' SHE ASKED ME 'OME FOR A DRINK

1231

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 Andy Corp. & Dave Coverly/Universal

YOU ARE CERTAIN, DR. CRAGG, THAT THE ANCIENTS HID THEIR TREASURE BENEATH THE PILLARS?

EXACTLY, GARDON!

THEY ADDED MEANINGLESS HIEROGLYPHS TO MISLEAD ADVANCING CONQUERORS. WE HAVE LOST MUCH TIME...

BUT THIS DYNAMITE WILL QUICKLY BRING US WHAT WE SEEK!

THEN IT IS OUR LAST CHANCE.

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A two-panel comic strip. In the first panel, a boy is sitting in a chair, talking on a rotary phone. In the second panel, the boy is sitting at a table, looking at a small object in his hands.

THE ADVENTURER

By Paul Zweig. Illustrated. Basic Books. 275 pp. \$8.95.

Reviewed by John Gardner

OPTIMISTS tell us our general despair is an effect of Vietnam and the current administration, but Paul Zweig's important book, "The Adventurer," suggests that the trouble is much deeper. The idea of the true, selfconscious hero—the "adventurer"—went hollow long ago, and went hollower and hollower, stage by stage. The object of his study is to trace and explain those stages. Zweig's argument, in particular, is a startling light on where we are and where we've been and provides what every first-rate theory is supposed to provide, a new way of seeing not only the books and men he chooses to talk about

but also those he passes over in silence, from the late Roman odes to, for instance, Wallace Stevens.

He begins with the shamansistic element in epic poetry, mainly "Gilgamesh" and the "Odyssey"—tells how the adventurer (in this case the shaman) went away to such places as the country of death and brought back wisdom and power, helps to understand the shaman's adventures, why half maniac wild man, as dangerous to his friends as to his enemies, not yet shackled by ethics or common sense, an elemental force, how the adventurer-shaman brought back to his people communal life and meaning. All this Zweig elaborates with talk of the "Iliad," "Beowulf" and "Sir Gawain and the Green Knight." Throughout this discussion of things ancient and medieval, Zweig's thesis is somewhat harmed. The reader is left with the impression of a misunderstanding of the poems, but distracting as

In the end Zweig leaves the reader—wisely, perhaps—to write his own final chapter, a chapter that would get down beneath the surface of one interesting remark in Zweig's introduction: "We are faced with an interesting paradox. Oriental traditions discourage adventure because they consider the vigorous individualism of the adventurer to be a distortion of the traditional. Modern traditions in the West have been even less hospitable to the adventurer. . . . Yet vigorous individualism is precisely what our culture has come to value most."

where once monastic or castle walls held out the dangerous wildness the adventurer brought news of, there were now the thicker, far solidier walls of Protestant morality, Defoe's code of "order and regular conduct," so that even on Crusoe's island, potential perilness of the adventurer, we find that (as Zwieg quotes Virginia Woolf as saying), "There are no sunsets and no sunrises; there is no solitude and no soul. There is, on the contrary, staring us full in the face something but a large cardboard map of the century." The world is dumb idea. It leads to being captured by head hunters. Better to tame one's own patch of land, fence it in.

But alas, the walls of decency themselves become a prison, and as that fact began to be recognized clearly, new forms arose—the "white slave," the "white devil" and bungling good, the "frivolous temptress" at escape in Casanova, the monstrously stupid transsexual.

Zwieg's explanation of our present state is that we in the West have gone inward completely, to drug literature, anti-realistic "in-bulation" and so on. That sounds like a grim and terrible final, but wonder if it is. The shamers took drugs and created abstractions. Out of their discoveries and symbolic tales writers like Homer made higher conscious, social and religious works of art like the "Odyssey," the story of a man (not a shaman but a man) who fights his way back to the duties he loves, his kingship and family, and his place in the world. He is scorn "hospitality" in the highest sense—ordered community, plot of Zeus and the Chinese. Both in the "Iliad" and in the "Odyssey," Achilles is a splendid half-divine animal who's vastly admired and ultimately judged wrong—inferior to Odysseus, who lives and dies with Penelope's help, survives.

I might never have noticed if

Solution to Previous Puzzle

C	O	I	D	A
A	P	I	D	O
E	L	B	A	N
A	I	R	S	E
S	I	C	I	A
A	L	E	S	A
S	A	I	S	I
S	E	N	E	N

it weren't for Zweig's book, but it seems to me that as far back in time as we can trace the mind of man, the idea of the hero has always rung true for all his appeal—and that the stages of the adventurer's decline are nothing other than alternative ways, after old ways have failed, of describing a man whose heroic idealism he stubbornly refuse to live without.

John Gardner's most recent book is "The King's Indian: Stories and Tales."

By Alan Truscott

For more than half a century bridge teachers have been trying in vain to eradicate the old wives' tale that calls for the opening lead of the highest card of partner's suit. As a result of this failure, players in home games continue to hurl tricks at gratified declarers by leading unsupported kings, queens and jacks from three-card or four-card holdings in their partners' suits.

Nevertheless, there are circumstances in which more experienced players would do well to follow the advice of the old wives rather than that of their husbands. If you are leading a suit in which your side is likely to have at least 10 cards, the lead of the unsupported honor has far more to gain than to lose.

West's appreciation of this point proved decisive on the diagramed deal.

Against five spades, West chose the right moment for the old wives' lead of the club king. Any lead was due to give the defense one club trick, but the lead of

Neither side was vulnerable. The bidding:

North	East	South	West
1 ♠	2 ♣	2 ♣	4 ♠
4 ♠	5 ♣	5 ♣	4 Pass
Pass	Pass		

West led the club king.

هكذا من الأهل

Art Buchwald

Why Crime Is Soaring

WASHINGTON.—For some years now Washington, D.C., has had one of the highest robbery rates of any city in the country.

We always assumed the crimes were committed by the underprivileged, unemployed, disaffected members of the population. So you can imagine our surprise when all of us picked up The New York Times the other day and read that there was "one house in the CIA had been involved in breaking and entering and other second-story jobs in the capital."

No one knows how many break-ins the CIA was involved in, but it certainly does pose a problem as far as our crime rate is concerned.

My friend, George Washington Custer, called me as soon as he read the story. "Hey, man," he said, "you read where the CIA has been committing all the break-ins in our fair city?"

"The story didn't say that," I warned Custer. "It indicated that there was a possibility that the CIA had been involved in some break-ins in the name of national security."

"What are they breaking into homes in Washington for?" I asked.

"That's a good question, Custer. Why do you ask?"

"It's a white-collar crime and it's been listed as a street crime or a white-collar crime?"

"Well, let me ask you another question. If the CIA is involved in a breaking-and-entering job, does that make it a street crime or a white-collar crime?"

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thought they were supposed to spy on all those Communists in Russia."

"That's the point, Custer. In order to spy on Communists in the Soviet Union, it is sometimes necessary to break into people's homes in the United States. But I'm certain the CIA would not break into anybody's house unless they were certain they were friends of our enemies abroad."

"How would they know that?" Custer demanded.

"Because apparently the CIA kept a list of Americans that were suspected. They probably weren't permitted to rob your house unless you were on the list."

"How come the CIA were allowed to do this?"

"They weren't," I said patiently. "But when you work for the CIA you can do a lot of things you are not allowed to do. That's why you operate in secret."

"Well, let me ask you this. Suppose half the break-ins in Washington were made by the CIA and only half were made by the common robber? How come they never caught the CIA fellows?"

"The CIA crooks have much better training for breaking and entering than the average man in the street. For one thing, he's a college graduate."

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By John M. Gashkin

BONN (WP).—For critics and scholars, it was among the year's most eagerly awaited events—the chance to find such renowned Soviet exile writers as Alexander Solzhenitsyn, Andrei Sinyavsky and Joseph Brodsky all appearing under the same cover. That was the prospect held out by Kontinent, a new periodical designed as a forum for East European dissident intellectuals.

The first issue, published recently in Russian and German editions, kept its promise. Its pages were studied with previous unpublished works by some of the biggest names in Soviet exile circles. And there were others as well: the Romanian-born author Eugene Ionesco, Yugoslav's Milovan Djilas and Hungary's Jozsef Cardinal Mindszenty.

But what should have been a major literary happening somehow got bogged down in a nasty political controversy. So far, most of the talk caused by Kontinent's appearance has centered less on its intellectual content than on the way that it has become an issue in domestic German affairs.

Even before the first issue appeared, West Germany's best-known novelist, Günter Grass, attacked Solzhenitsyn and Sinyavsky harshly for their association with Kontinent. In an open letter to the two Russians, Grass charged them with fostering "the same reactionary intolerance" which "under different ideological markings forced you in the Soviet Union to protest and to resist."

What aroused Grass's ire was the role played in Kontinent's founding by Axel Springer, Germany's most powerful and most controversial press lord. Springer put up the money to launch the publication, and one of his companies, the Ullstein book-publishing concern, is putting out the German-language edition of Kontinent.

Because of the shrill and uncompromising crusade that he conducts in his newspapers against Communism, student radicalism and most vestiges of the permissive society, Springer has long been the principal bete noire of West German liberal intellectuals like Grass.

As a result, when Wolf Jobst Siedler, the director of Ullstein, invited the author of "The Tin Drum" to write a few words of welcome for Kontinent, Grass responded with a "Dear Andrei and Dear Alexander" letter that began, "I take the liberty of telling you, without mincing words, what I think of your project."

Grass wrote: "I cannot understand how you, as writers with moral criteria, could, through such a collaboration, offer support to a power complex so dangerous to Western democracy. Each day in the publications of the Springer concern, there is disseminated exactly that which you experienced in the Soviet Union—namely, falsification of information according to doctrinaire opinions, demonstration of political opponents, appeals to the latent violence in the so-called silent majority, the condemnation of the accused as already guilty—all of which has led your fellow writers to feel anxious about the future of democracy in West Germany."

His attack drew an immediate response from both Russians. Solzhenitsyn's reply was especially furious: "Can one be choosy about a publisher when you think of the 400 million oppressed people in the East? Weren't the Western writers very happy when they were published in the Soviet Union? And who published them? Free publishers or the state-owned publishers of our executioners?"

Sinyavsky, whose writings first became known in the West when published under the name "Abram Tertz" and who was with Yuri Daniel, a defendant in one of the most famous Moscow dissident trials, answered Grass's letter and most thoughtful system, "the falsification of information according to doctrinaire opinions, demonstration of political opponents, appeals to the latent violence in the so-called silent majority, the condemnation of the accused as already guilty—all of which has led your fellow writers to feel anxious about the future of democracy in West Germany."

Stating that "I am not very well acquainted with the situation in the West" and "have no experience at all of the conflicts within Western democratic societies," he told Grass that "your apparent concern is a partisan struggle between various groups."

"But," Sinyavsky continued, "our concern, mine and those of my friends, is simply the magazine, Kontinent, itself. Our venture is, to my mind, a challenging and promising beginning—a journal which attempts to bring together a whole group of writers in Eastern and Western Europe, among them not a few in Russia whose work is done in the shadow of the prisons, camps and labor asylums."

He ended Grass's letter by comparing Springer's activities with "the publishing conditions of present-day Soviet Russia" and said: "Your point of reference is a pile of opinionated newspaper clippings which you found unjustifiable. But our point of reference is a mountain of corpses, and among them writers and poets. Can it really be that you equate a Hitler or a Stalin with a distasteful polemic in a newspaper?"

Sinyavsky noted that Grass had made his attack before he had seen a copy of Kontinent. "It is completely beyond my comprehension why you should feel it necessary to speak out against a venture which has not even seen the light of day—to disrupt a magazine whose first number you have not yet read and whose quality you presume to judge only by the imprint of the publishing house."

Sinyavsky's words underscored what many regard as the most unfortunate aspect of the controversy—namely that Grass's anti-Springer blast, together with the outpouring of commentary that it has since provoked, had obscured the effort to see what ideas are expressed in Kontinent and to weigh them on their own merits.

The venture was born earlier this year after the worldwide headlines triggered by Solzhenitsyn's expulsion from the Soviet Union. With that boost of publicity, the exile writers were able to win a sympathetic hearing for their hopes of establishing their own forum.

Solzhenitsyn encouraged the project by promising to become a regular contributor and even suggested Kontinent as its title. However, since taking up residence in Zurich, the 56-year-old Solzhenitsyn has become increasingly reclusive. In fact, except for his recent appearance in Stockholm to accept the Nobel Literature Prize awarded to him four years ago, he has tended to shun almost all contact with Westerners and Western society.

Accordingly, he also refused to become one of Kontinent's editors, and the main job of organizing the new publication fell to Vladimir Maximov, another dissident writer ("The Seven Days of Creation") who left the Soviet Union in March and who now lives in Paris.

Maximov then approached Springer for backing, and the result was a complicated deal that saw Springer's Ullstein subsidiary set up a special Kontinent Publishing Co. in the West German city of Darmstadt. The financial division gives all rights to the Russian edition to the exile contributors, with Ullstein getting the rights to the German edition.

Both editions are published in a paperback format, and despite the high price (\$6.50 for the German edition), the first issue has had very brisk sales. The 7,000 copies in Russian have been almost sold out, and the German edition's sales already have topped 25,000.

In addition, largely on the strength of Solzhenitsyn's promise to be a regular contributor, plans are under way to start several other foreign-language editions. The American edition, to be published by Doubleday, will probably make its debut in the spring, along with British, French, Dutch and Italian versions. At present, Kontinent officials are negotiating the rights for Spanish and Turkish editions.

Under current plans, the so-called "central" or Russian edition will be a quarterly. Because of translation difficulties and other factors, those editions published elsewhere will probably appear only twice a year, although the publishers have the right to go up to four issues if they wish.

On the board of editors serving under Maximov, Springer is represented by George Bailey, an American journalist who was for several years the European correspondent of the now defunct Reporter magazine.

In reply to the charge that Springer's interest in Kontinent is promoted solely by his anti-Communist fervor, Bailey insists that the German publisher and his representatives have maintained a strict hands-off policy regarding the publication's editorial freedom.

Some sources within the faction-ridden world of East European exile politics have charged that Kontinent is dominated by people with a clearly rightist bias. As proof of this contention, they cite the association of such figures as Cardinal Mindszenty, an unabashed spokesman for clericalism, and Luděk Pachman, a leader of the 1968 Prague Spring movement in Czechoslovakia who more recently has become a close supporter of West Germany's right-of-center Christian Democratic Union.

However, an examination of Kontinent's board does not support such a generalization. In general, most students of the emigre political scene tend to divide the activist exiles from Eastern Europe into three rough groups: those who remain Marxists in conviction but who oppose the Soviet brand of Communism, those whose opposition to the Soviet-led system is based on considerations of civil liberties and civil rights and those with an almost mystical belief that the Communist countries must eventually return to some kind of religious orthodoxy.

If any of these groups does indeed dominate Kontinent, it is probably the last one. Maximov is regarded as deeply religious. And Solzhenitsyn lately has spent a lot of time expounding the theory that a nonviolent, nonideological resistance movement with strong religious overtones will eventually bring down the Communist system in the Soviet Union.

There is an echo of this religious impulse in a declaration of moral principles that is printed in the Russian edition but omitted from the German issue. It reads: "Unconditional religious idealism—a sustained spiritual alliance with representatives of other faiths though with a dominating Christian tendency."

However, several editors have since been at pains to explain what this means. It refers, they say, only to the broad ideals of the Western Christian ethic. That, they add, is an umbrella capable of sheltering a very broad range of attitudes and opinions.

The first issue, at least, seems to bear out their point about diversity. Its offerings range from an interview with Czech writer Ota Filip about the attitudes of intellectuals in Czechoslovakia today to "Dialectic Materialism: The Progressive Ideology," an unpublished chapter of Solzhenitsyn's novel "The First Circle."

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The first issue, at least, seems to bear out their point about diversity. Its offerings range from an interview with Czech writer Ota Filip about the attitudes of intellectuals in Czechoslovakia today to "Dialectic Materialism: The Progressive Ideology," an unpublished chapter of Solzhenitsyn's novel "The First Circle."

There are three poems by Brodsky, regarded by many as the greatest living poet in the Russian language, an excerpt from Vladimir Korolenko's novel, "Without Arms, Without Legs," and an almost tongue-in-cheek essay on "The Metaphysical Situation in Russia Today" by Alexander Piatigorsky, formerly the Soviet Union's ranking expert on the culture of India.

The venture was born earlier this year after the worldwide headlines triggered by Solzhenitsyn's expulsion from the Soviet Union. With that boost of publicity, the exile writers were able to win a sympathetic hearing for their hopes of establishing their own forum.

Solzhenitsyn encouraged the project by promising to become a regular contributor and even suggested Kontinent as its title. However, since taking up residence in Zurich, the 56-year-old Solzhenitsyn has become increasingly reclusive. In fact, except for his recent appearance in Stockholm to accept the Nobel Literature Prize awarded to him four years ago, he has tended to shun almost all contact with Westerners and Western society.

Accordingly, he also refused to become one of Kontinent's editors, and the main job of organizing the new publication fell to Vladimir Maximov, another dissident writer ("The Seven Days of Creation") who left the Soviet Union in March and who now lives in Paris.

Maximov then approached Springer for backing, and the result was a complicated deal that saw Springer's Ullstein subsidiary set up a special Kontinent Publishing Co. in the West German city of Darmstadt. The financial division gives all rights to the Russian edition to the exile contributors, with Ullstein getting the rights to the German edition.